USING COMPETENCIES TO BUILD A SUCCESSFUL ORGANIZATION

A MONOGRAPH BY
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INTRODUCTION

Competencies are a popular management topic. They are recommended as a means to provide organizational focus, as building blocks for human resource (HR) systems, and as a method for certifying attainment of job skills. Unfortunately, the word *competencies* takes on a very different meaning in each of these uses. This monograph will attempt to clarify the confusion caused by using this one word for different purposes. After clarifying the definition, the monograph will focus on one particular use: competencies as building blocks of human resource systems.

This monograph will try to answer these questions:

> Identification: How should competencies be selected and defined?

> Measurement: What kind of rating scale is most appropriate when evaluating competencies?

> Validity: How can the validity and reliability of competencies be reinforced through the training of users?

> Application: How do competencies aid HR systems, such as selection, promotion, training, appraisal, career planning, succession planning, and compensation?

> Integration: How can competencies be used to promote the integration of HR systems?

> Issues: What legal and other issues should be considered?

> Benefits: What is the business case for competencies?

This monograph expresses Development Dimensions International's view of the best procedures and methods. However, where there is significant disagreement among practitioners, we have attempted to describe alternative procedures and methods so that the reader can draw his or her own conclusions.

DECADES OF RESEARCH

Since 1970, Development Dimensions International (DDI) has been working with competencies (as you will see, we prefer the name "dimensions"). We have conducted worldwide studies of competencies and how they are used. We have produced taxonomies of competencies based on research with more than 40,000 people and have published several pioneering articles on the use of competencies as linchpins of HR systems. Further, we have built on our belief in the advantages of competency-based HR systems by designing all of our selection and training methodologies and services around competencies. These methodologies and services have been subjected to extensive validity research. The results provide strong backing for the use of competencies.

UNDERSTANDING COMPETENCIES

**CHAPTER 1—COMPETENCIES:
MANY NAMES, DIFFERENT THINGS**

*One of the key **competencies** of Development Dimensions International is the development of **competencies** relative to **competencies** important to jobs.*

Confusing, isn't it? Yet the statement is accurate. The problem is that *competency* has three very different meanings. This chapter explores those meanings and suggests a nomenclature that will help clear up the confusion.

Three Kinds of Competencies

1. Organizational Competencies

Organizational competencies are the unique factors that make an organization competitive. According to Prahalad and Hamel, organizational competencies (a) provide potential access to a wide variety of markets, (b) make a significant contribution to the perceived customer benefits of the end product, and (c) are difficult for competitors to imitate (*Harvard Business Review,* 1990, pp. 83–84).

Writers in this area recommend that organizations focus their efforts on their organizational competencies and outsource other activities. Organizational competencies cannot be outsourced—no matter how much money is available—because they are fundamental to the organization and its success.

Following are examples of some organizational competencies:

Sony . . . . .Miniaturization

Philips . . . . .Optical media

Citicorp . . . . . . .Operating system providing 24-hour access to world markets

NEC . . . . .Digital technology

Honda . . . . .Engines and power trains

Canon . . . . .Optics, imaging, and microprocessor controls

Apple . . . . .User-friendly interfaces, powerful software architectures, and effective distribution systems

Continental
Bank . . . . .Intimate knowledge of customers' needs and relationships with customers

3M . . . . .Pressure-sensitive tapes and coated abrasives

Intel . . . . .Microchip design and development

GM . . . . .Financial control of manufacturing processes and theory of capital allocations

JESSI . . . . .Microelectronics, semiconductor equipment, and computer-aided design

To help clarify the confusion around competencies, a better name for this category of competencies would be "organizational strengths."

2. Job/Role Competencies

A job/role competency, in the most general terms, is a "thing" that someone must demonstrate to be effective in a job, role, function, task, duty, organizational level, or entire organization. (Of course, this definition begs the question: "What is the 'thing'?" Chapter 3 addresses that question.)

Many HR systems can and should be built around job/role competencies because competencies can be used (1) to measure performance (e.g., in a selection system or a performance management system) and (2) to guide action (e.g., in focusing work efforts or guiding development efforts). Some of the HR systems in which competencies are commonly used include:

> Selection, promotion, and transfer.

> Training and development.

> Training needs analyses.

> Performance appraisal.

> Individual career planning.

> Multiperspective feedback (360-degree assessment).

> Succession planning.

> Compensation.

Changes in the business world have made the use of job/role competencies more vital. Following is a list of those changes and their consequences:

> Rapidly changing, team-oriented, and "virtual" organizations mean that the traditional definition of a job is increasingly rare. People might be in a job only a few months or on several teams at once, playing a different role in each. In these circumstances an appropriate approach is to define work through a set of competencies that underpin all the required roles.

> Organizations with fewer layers have fewer advancement opportunities, thus vertical advancement decisions become more important and represent a greater increase in responsibility. There is less room for error because each of the smaller number of promotional target jobs is critical.

> Flattened organizations mean more horizontal selection. People must be selected for new positions, projects, and special assignments across an organization, increasing the need for defining and using competencies to aid movement.

> Vertical advancement decisions are more difficult because the former try-out positions, such as "assistant to" and various "staff" jobs, have been eliminated. Again, selection decisions—and thus competencies—are more important than ever before.

> A dynamic workplace makes personal career planning more difficult. In the past one could look at one's manager (or managers) as an indication of future roles. Now the path to advancement is less clear. Well-defined competencies can provide guidance in career planning.

> Individuals are increasingly responsible for their own career planning. They need guidance. Competencies provide the framework for self-development efforts and career planning.

> The popularity of multiperspective instruments to help people understand how they are perceived elevates the importance of competencies, which often form the categories against which people are evaluated.

> The growing prevalence of empowerment in the workplace means increased overlap between employee and management roles and among employee roles. Therefore, new descriptions of work are needed. Competencies provide a clear method for defining more flexible work roles.

> Better-educated, more empowered workers and leaders have the capacity to do more. Competencies help to define organizational expectations.

> New work requirements are growing out of organizations' interest in a workforce that is able to operate effectively in and across different cultures worldwide. Competencies make it possible to better understand the challenges and skill requirements of cross-cultural assignments.

> Organizations are looking for uniformly demanding standards that they can apply worldwide. Competencies provide such a benchmark.

We at Development Dimensions International believe the term *dimension* better expresses the intent and meaning of job/role competency for the following reasons:

> Dimension is free from the other meanings discussed in this chapter and from confusing common language usage.

> Dimension is used to describe jobs/roles in many scientific books and articles.

> The word *dimension* has no inherent meaning, allowing it to be defined in ways that meet equal employment opportunity and other needs. (See Chapter 3.)

Nevertheless, to help ensure understanding, this monograph will use the term *dimension/ competency* (occasionally simply *dimension*) when discussing the "things" that someone must demonstrate to be effective on the job.

3. Personal Competencies

People are described as competent because they are good at performing some act or function. For instance, a person who is a good bricklayer is called competent. The same applies to trumpet players, diplomats, salespeople, lawyers, etc. In *Webster's New International Dictionary,* competency is synonymous with competence, which is defined as "a sufficient supply (of anything)" and "sufficiency without excess." By definition, "competencies" refers to people being competent in one or more areas; to have a competency in an area is to have adequate or sufficient skills in that area.

Using this definition, it is confusing to talk about the *competencies of superior performers.* Does this mean "areas where superior performers do adequately," as could be inferred from the definition, or "areas unique to superior performers," as some practitioners prefer?

Personal competencies are, by definition, aspects of an individual (even though the definitions might have been obtained from studying jobs). The United Kingdom's Employment Department and National Council for Vocational Qualifications defines competencies as "the ability to perform the activities within an occupation or function to the standards expected in employment" (Tate, 1995, p. 35). Personal competencies imply a level of achievement or output. They are very different from job or role dimensions/competencies, which define a range of inputs and thus are appropriate for most selection and development efforts.

We believe "personal competencies" is a good descriptive name for personal achievement at a functional, adequate level. The description is widely understood and should be retained in its current use.

Putting It All Together

To summarize this clarification of the meaning of the word *competencies,* let's repeat the sentence that started this chapter, then recast it using the suggested alternative descriptors:

> *One of the key **competencies** of Development Dimensions International is the development of **competencies** relative to **competencies** important to jobs.*

> *One of the key **organizational strengths** of Development Dimensions International is to develop **personal competencies** relative to **dimensions** important to jobs.*

Figure 1.1 summarizes the points made in this chapter.

The remainder of this monograph will focus on job/role dimensions/competencies. We will use either both names *(dimensions/ competencies)* or just *dimensions* to indicate the job-related targets of the systems we describe.

Description	Common Name	Suggested Name
Unique organizational factors that are key to competitiveness	core competencies or organizational competencies	organizational strengths
Things individuals must demonstrate to be effective in a job or role	job/role competencies	job/role dimensions or job/role dimensions/competencies
Skills or abilities possessed by an individual at an adequate level	personal competencies	personal competencies

Figure 1.1. Suggested nomenclature for competencies.

CHAPTER 2—DIMENSIONS/COMPETENCIES FOR WHAT?

An organization can define dimensions/competencies for various job-related targets:

> A role (leader of a meeting).

> A job or position (a manufacturing team leader).

> A job level (first-line leaders).

> Several job levels (middle management).

> A broad band of jobs (professional/technical jobs).

> An entire organization.

As subsequent chapters will show, the targeted focus of the dimensions/competencies greatly affects:

> The methodology used to identify dimensions/competencies.

> The type of rating scale used with dimensions/competencies.

> Training of those individuals who will use the dimensions/competencies.

> The need for precise dimension/competency definitions.

> Legal defensibility concerns.

The appropriate targeted focus of dimensions/competencies is determined in relation to the organizational need being addressed.

Generally, organizations that focus their dimensions/competencies broadly call them "core competencies" or "core dimensions." These dimensions/competencies are common to many jobs throughout the organization. Some organizations use terms such as "generic," "general," or "dimension or competency model" to make this same point.

"Specific dimensions/competencies" relate to more specific jobs/roles. They provide greater precision, which is important in many selection or promotion situations.

Figure 2.1 shows the common relationships between organizational needs and the focus of dimensions/competencies.

Many organizations use both a set of "core dimensions/competencies" (that apply across a band of jobs or perhaps the entire organization) and "specific dimensions/competencies" (that apply to a specific job). Using them both results in a complete description of a specific job's requirements.

Organizational Need	Dimension/Competency Focus	Name
Career planning, organizational planning, compensation, performance appraisal*, talent allocation to teams, temporary assignments	Several job levels, a broad band of jobs, the entire organization	Core dimensions/competencies
Selection, promotion, training, performance appraisal*, development systems for a specific job or role	Role, job, job level	Specific dimensions/competencies
* Performance appraisal systems can be focused at a broad level or at specific levels.		

Figure 2.1. Relationship between organizational need and the focus of dimensions/competencies.
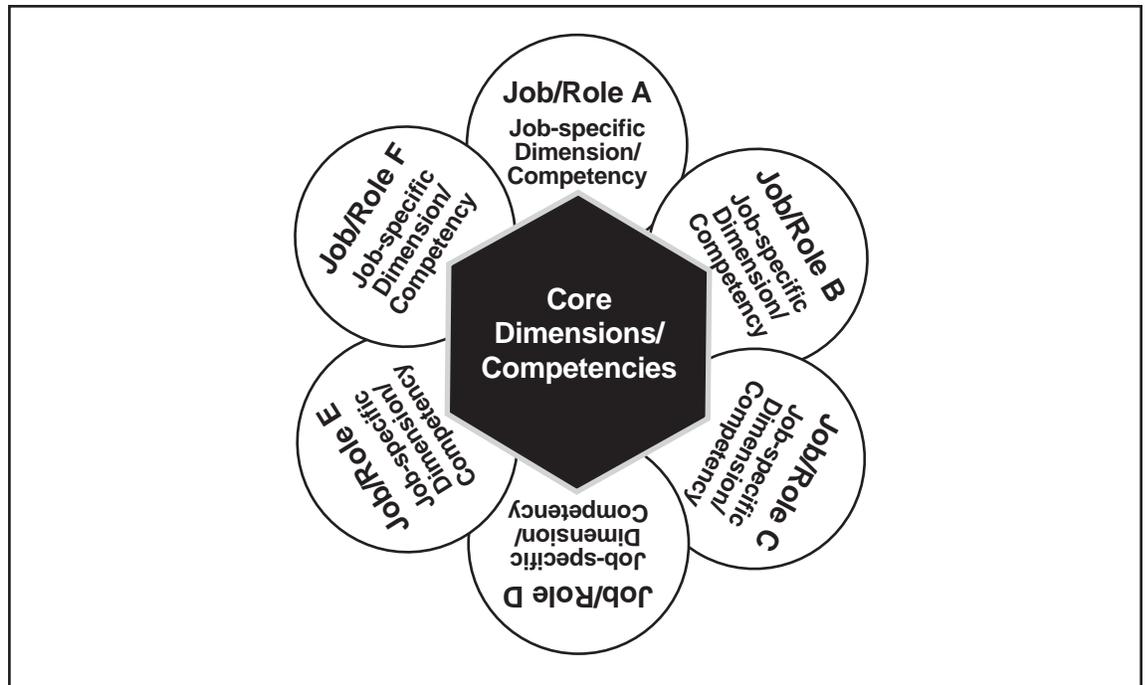
Figure 2.2. Relationship of core dimensions/competencies to specific dimensions/competencies within a job level.

Figure 2.2 shows the relationship between an organization's core dimensions/competencies and those that are unique to a job or set of roles (i.e., job-/role-specific dimensions/competencies).

A job or job level can be described using a combination of core and specific dimensions/competencies, as shown in Figure 2.3. In this figure specific dimensions/competencies are divided into those for which a minimal level of performance is required before entry into a position (Prerequisite Dimensions) and those for which on-the-job development is permitted.

There is a strong movement among organizations to use core dimensions/competencies. Chief among the reasons are that core dimensions/competencies:

1. Permit the organization to focus behaviors on, measure the achievement of, and reinforce the organization's vision and values.

2. Provide a yardstick against which all individuals or a broad band of individuals can be evaluated for compensation, promotion, succession planning, or other purposes. (Jobs/Roles are fluid; people often move from one to another.)

3. Facilitate matching people to jobs throughout the organization and help focus training and development.

4. Allow organizations to maintain a talent database, especially for key jobs. This database makes it possible for organizations to quickly evaluate their talent deficiencies, determine how prepared they are to respond to new challenges, and quickly identify people who are qualified for new roles or virtual assignments.

5. Make the organization more flexible and responsive to change by supporting the development of broad skill sets. The skill sets give people the guidance they need to develop their skills and to focus on training and development.

Dimension/Competency by Team Table

Dimension/Competency	
Visionary Leadership	Corporate Team Dimensions
Long-Range Planning	
Strategic Leadership	Business Team Dimensions
Strategic Decision Making	
Leading Through Vision, CSFs, and Values	
Building Business Partnerships	Resource Team Dimensions
Planning & Organizing/Work Management	
Coaching/Team Leadership	
Operational Decision Making	Prerequisite Dimensions
Analysis/Problem Assessment	
Judgment/Problem Solving	Process Team Dimensions
Communication	
Safety Awareness	
Work Standards	
Quality/Continuous Improvement	Core Dimensions
Customer Service Orientation	
Teamwork/Cooperation	
Championing Empowerment	
Initiative	
Integrity, Trust, and Respect	

Figure 2.3. Dimensions for different groupings of employees at a major chemical company.

Figure 2.4 shows the relationship of core and specific dimensions/competencies to the three definitions discussed in Chapter 1.

Organizational Strengths

Job/Role Dimensions/Competencies — Core Dimensions/Competencies / Specific Dimensions/Competencies

Personal Competencies
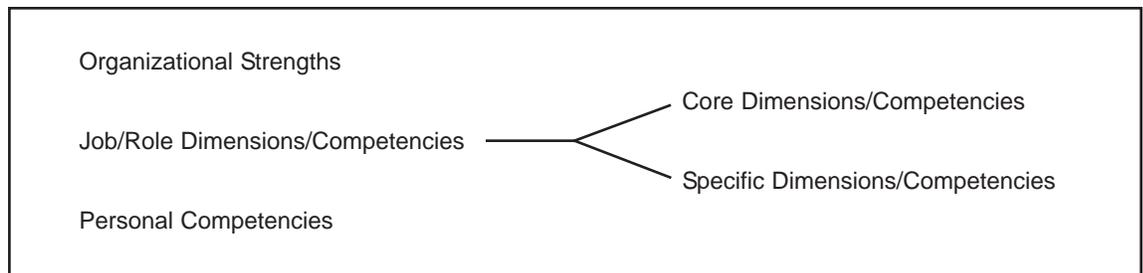
Figure 2.4. The relationship between core and specific dimensions/competencies and job/role dimensions/competencies.

Dimension/Competency Taxonomy or Dictionary

Many organizations use a master list of 25 to 50 dimensions to define all their jobs/roles. These well-researched definitions cover most aspects (except highly technical areas) of jobs and are carefully defined to ensure clarity and to avoid overlap. (See Chapter 6.) At least 1,000 organizations worldwide use Development Dimensions International's taxonomy of dimensions as a basis for their dimension identification efforts. This taxonomy, which has been under development for decades, is the basis for DDI's popular computerized job analysis methodology.

We recommend that either *dimension taxonomy* or *dimension dictionary* be used to describe:

A master list of well-researched and defined dimensions that is used to construct core and specific dimensions.

CHAPTER 3—TWO VIEWS OF DIMENSIONS/COMPETENCIES

Chapter 1 described a dimension/competency as a "thing" that someone must demonstrate to be effective in a job, role, function, task, duty, organization level, or total organization. This "thing" is the key factor in distinguishing between the two principal approaches to defining dimensions/competencies: the *behavioral approach* (used by DDI and others) and the *clinical approach*.

In the behavioral approach, dimensions/competencies are:

> *Descriptions of clusters or groupings of behaviors, motivations, and knowledge related to job success or failure under which new data on motivation, knowledge, and behaviors can be reliably classified.*

With this definition of dimensions/competencies, the "thing" is job-relevant behavior, motivation, or knowledge. On the other hand, for adherents of the clinical definition, dimensions/competencies are:

> Personal characteristics of superior performers: What superior performers (1) possess as underlying characteristics, (2) demonstrate often, and (3) apply with better results.

> A person's underlying characteristics that are related to effective or superior performance in a job or situation. (Spencer & Spencer, 1993)

The distinguishing "thing" of the clinical approach is an *underlying characteristic,* a relatively stable attribute that is independent of any connection to a job. With the clinical approach, the user of the dimensions/competencies (managers, HR, etc.) must understand and deal with personality issues.

Development Dimensions International developed its behavior-motivation-knowledge approach to meet the preference for content validity over construct validity to prove the job relatedness (i.e., appropriateness for use) of selection or promotion criteria of governmental agencies in the United States, Canada, Australia, and Europe. It is very difficult to prove the job relatedness of selection criteria that are based on psychological constructs (for example, personality characteristics that are intangible and open to interpretation, such as solid emotional maturity, perceptual objectivity, or use of socialized power). In the U.S., the Equal Employment Opportunity Commission (EEOC) and federal courts consistently have shown a preference for criteria that are based on observable work behaviors or knowledge. In the clinical approach, "behavior" is used to imply the "relatively enduring characteristics" of a dimension/competency.

Terms Defined

Behavioral Dimension/Competency
What a person says or does that results in good or poor performance.

Knowledge Dimension/Competency
What a person knows regarding facts, technologies, a profession, processes, or procedures. Diplomas, licenses, certificates, and similar recognition systems often are used as a sign of such knowledge.

Motivational Dimension/Competency
How a person feels about a job, organization, or geographic location.

The treatment of "motivation" clearly distinguishes DDI's approach from the clinical approach. Organizations taking a clinical approach hold that there is always a motivational aspect in a dimension/competency; from the clinical view, behavior without motivation does not define a dimension/competency. Thus, they do not examine motivation separately.

Development Dimensions International believes that motives such as competitiveness or the lack thereof, assertiveness or submissiveness, self-confidence or insecurity, and others have already played their part in the development of dimensions/competencies as individuals have matured. What organizations should be interested in is the resultant behavior—not why it happened. Rather, DDI sees the need to relate motivation to job, organizational, and location characteristics. People highly motivated by these characteristics can overcome low, innate motivation to plan or sell given proper learning and development opportunities.

Development Dimensions International believes that breaking out motivation is more useful and productive in a business setting. It allows organizations and individuals to focus separately on developing behaviors and knowledge while considering the motivational aspects of jobs and the organization that energize the workforce—that is, the motivational fit. DDI sees motivational dimensions/competencies as relatively nondevelopable. An effective organization taps into the ones that an individual brings to a job.

Figure 3.1 illustrates the two perceptions of the role of motivation.

CLINICAL APPROACH

Dimensions/Competencies including motivation = Job Performance

BEHAVIORAL APPROACH

Behavioral Competencies

+

Knowledge Competenices

+

Motivational Competencies
> Job Fit
> Organizational Fit (Values Fit)
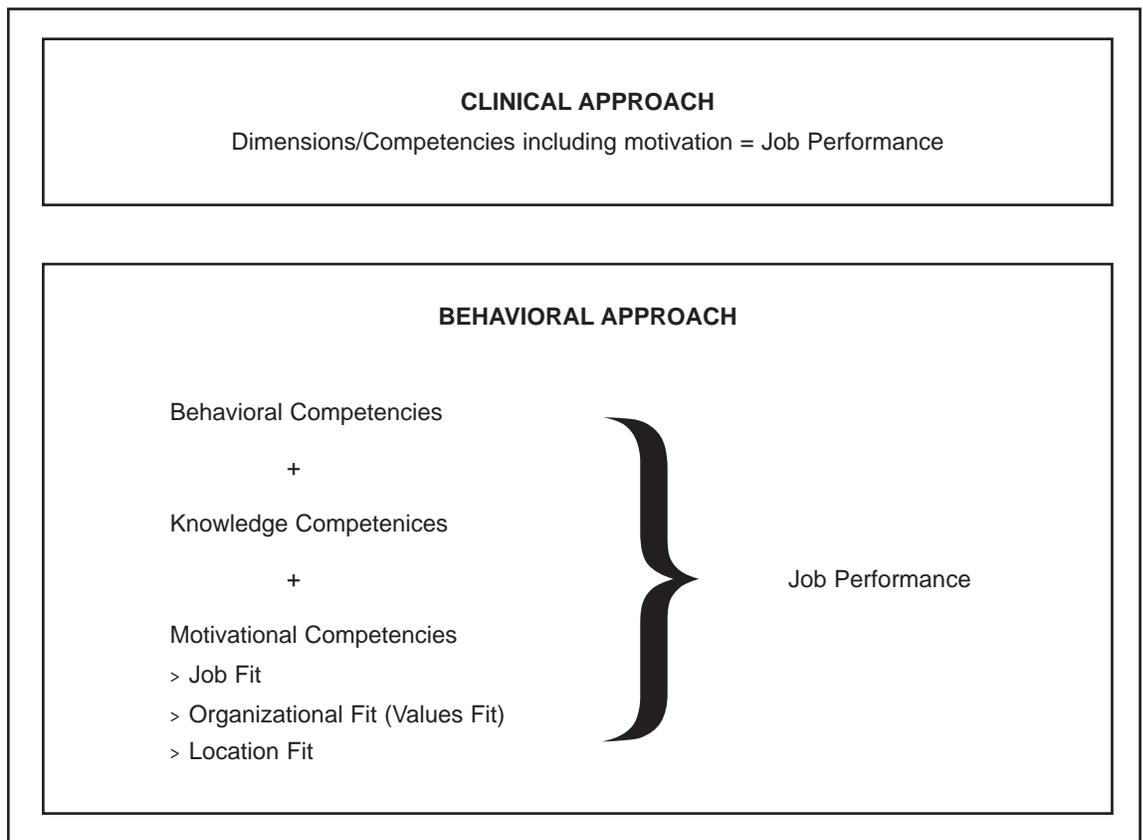> Location Fit

} Job Performance

Figure 3.1. Conceptual illustrations of two distinct views of the role of motivation and dimensions/competencies in job performance.

When motivation is subsumed in a dimension/competency definition, it is too easy for the user to lose sight of a person's job and organizational fit. Do the features of the job and organization match what is appealing (i.e., motivating) to the individual? Consider this example:

> *Tom, a salesperson, is not meeting his sales quota. His manager has observed that Tom is not using effective sales behaviors consistently. Yet, when put on probation by his manager on two occasions, Tom has met the quota and used the appropriate behaviors. Thus, his problem is not a lack of sales skills. He can sell when he believes he has to. The problem is motivation. He might not be satisfied with the pay system (all salary rather than incentive pay), recognition systems, or the organization's relentless go-go orientation. A behavioral approach, which looks at characteristics of the job and the organization that excite effort, is more likely to uncover the problem.*

The failure of the clinical approach to separate motivation and behavior increases the need for extensive training in how to use dimensions/competencies. In general, because clinically defined dimensions/competencies are more difficult to understand and use, it is more difficult to obtain acceptable validity and reliability.

Figure 3.2 illustrates the difference in understanding and ease of use between the behavioral and clinical approaches to a dimension/competency definition.

CLINICAL

Tenacity—The perseverance and ego strength needed to complete a task or obtain an objective.

BEHAVIORAL

Tenacity—Staying with a position or plan of action until the desired objective is obtained or is no longer reasonably attainable.

Figure 3.2. The same dimension as defined by two organizations using different orientations.

Development Dimensions International believes strongly that virtually all organizations will find the behavioral approach to dimensions/competencies superior to the clinical approach. This belief is based on the fact that behaviorally defined dimensions/competencies:

> Are easier to understand and use because they are closer to the here and now—observable on-the-job behavior.

> Provide superior insight into the major motivational issues that often determine job success (i.e., job fit, organizational fit [values fit], and location fit).

> Appear to users to be more developable than "underlying characteristics," which seem undevelopable. Few organizations would want to imply that none of their dimensions/competencies can be changed through training or other interventions.

> Are more acceptable and defensible to government agencies involved in ensuring and monitoring fair employment practices.

CHAPTER 4—IDENTIFYING DIMENSIONS/COMPETENCIES

The key to accurately identifying dimensions/ competencies is getting the appropriate job/role information from the appropriate sources. The process of identifying dimensions/competencies (called a job/role analysis) relies on obtaining from three sources of data three types of information, as illustrated in Figure 4.1.

All three types of information are useful in defining most dimensions/competencies, but their value varies greatly, depending on how the dimensions/competencies will be used. This is illustrated in the following five scenarios.

Scenario 1: An organization wants to reinforce its vision, critical success factors, and values by making sure dimensions/competencies that reflect the new direction are part of everyone's performance management system.

Top management is the principal source of dimension data. Because they "own" the vision and values, they are critical in translating vague vision and values into behaviorally defined dimensions/competencies.

Scenario 2: An organization wants a set of dimensions that reinforces its vision and values and that can be used for selection, promotion, career planning, and performance management decisions in a band of jobs.

To meet these needs, an organization cannot rely only on senior management's interpretation of organizational vision and values to indicate dimensions/competencies. All three sources of information need to be tapped.

1. Obtain information on the vision and values from senior management. They should be asked to provide explicit examples of how the vision and values should be demonstrated on the job. When senior management is too distant from the target levels to provide good behavioral examples, then managers lower in the organization need to be involved.

2. Obtain information from managers above the target level on how the vision and values will play out. These "job content experts" understand both the organization's vision and values and the target job or job level.

Source	Information
Incumbents, supervisors	Current job/role activities, behaviors
Middle management, technical specialists, design committees working on changes in the organization	Anticipated job changes (e.g., new technology, type of customers, level of empowerment, teams)
Top management	Organization's vision, values, and strategy (might include changes in the level of empowerment and teams)

Figure 4.1. Source of job/role analysis information and type of information obtained. See Appendix for a discussion of job/role analysis and how information is gathered.

> ### Jobs or Roles?
>
> Traditionally, specific dimensions/competencies have focused on the job. To obtain these dimensions/competencies, a job analysis was conducted. However, this approach is rapidly changing because of the dynamic nature of many work situations.
>
> Increasingly, people are moving from one task to another and playing many roles. For example, an individual might be a team member in one situation, a team leader in another, an individual contributor in a third, and a manager in a fourth. As a result, role analysis is a more accurate methodology in the modern workplace. A *job* is defined as the sum of the roles a person must play and the *job dimensions* as the sum of the dimensions/competencies associated with all the roles. As the mix of roles that make up a job changes, the list of dimensions required to support the individual's performance can be easily revised.

Often, a consultant will put the job content experts through a "how far, how fast" exercise. This exercise forces the experts to think through the implications of the vision and values on the target job level and any level below them. (See DDI Monograph XXI, *Implementing a High-Involvement [Empowerment] Strategy*, for a description of this methodology.) Such an activity is particularly important for values, such as empowerment, that people can interpret differently. The job content experts need to think through how empowerment would play out in the various activities required at the job level. Job content experts also need to consider anticipated changes in technology, systems, or organizations (such as use of work teams).

3. Unless the jobs are going to change drastically, it also would be wise to study the tasks, challenges, and activities of the job incumbents and to define (by applying the group critical incident technique) with the incumbents' supervisors the reasons for success and failure. A consultant usually does this, often aided by computerized job analysis technology.

Scenario 3: For a given job an organization wants a set of dimensions that will stand up to legal and professional standards for promotion and selection.

The appropriate methodology is similar to that illustrated in items 2 and 3 of Scenario 2, except the focus is on one job, job level, or set of roles. If the job is not being changed dramatically, then a traditional job analysis is used. All variations of the traditional job analysis involve (1) obtaining information on activities and job challenges (usually gathered through a questionnaire or interview) and (2) looking at examples of high and low job performance (usually obtained from a critical incident meeting attended by managers above the target level). Both sets of data are combined to define tentative dimensions/competencies, which are compared to and integrated with those obtained from the organization's vision and values. A broad sample of knowledgeable people check the combined list, then rate and rank the dimensions/competencies. (For more information on job analysis technologies, see DDI Monograph XI, *Understanding Job Analysis.*)

Often a dimension is defined by job activities. But how it is performed is defined by the organization's values. For example, a job might require planning, but if the organization has a value of "participation," it might be appropriate to define planning in a way that incorporates participation into most planning processes.

The more future-oriented the job, the more emphasis on the vision and values as sources of the data. The fewer changes in job activities and performance, the more emphasis on the data from activities.

Scenario 4: An organization has the same needs as that in Scenario 3, but it already has a set of core dimensions/competencies.

Everything is the same as in Scenario 3, but the core dimensions/competencies serve as a base on which the dimensions/competencies list is built, assuming they are defined behaviorally. If not, the consultant's first task is to develop for approval acceptable behavioral definitions of the core dimensions/competencies, a much more difficult task than defining the dimensions/competencies correctly in the first place.

Vision and Values

Throughout this monograph we use the terms *vision* and *values* to reflect a view of the organization's direction. By vision and values, we mean any formal vision and values statement in existence and everything that flows from it, such as critical success factors, organizational priorities, organizational initiatives, etc.

Scenario 5: An organization wants core dimensions/competencies on which to build an integrated personnel system, but does not want to relate them to its vision and values.

In order to integrate several HR systems, this type of organization wants a list of dimensions/competencies common to jobs it is trying to group together. Common or overlapping dimensions/competencies can be obtained by comparing job analyses conducted on many jobs, job levels, or roles. The purpose of the comparison is to seek out the common elements. Any slight differences in definitions will need to be resolved.

Most organizations want to check for anticipated changes in technology and organizational structure to be sure that the dimensions/competencies reflect the future as well as the present or recent past.

The Appendix provides an overview of job analysis methodology as it applies to dimension/competency definitions. More in-depth information can be found in DDI Monograph XI, *Understanding Job Analysis*.

CHAPTER 5—JOB/ROLE ANALYSIS ISSUES

As Figure 5.1 illustrates, most job/role analyses used to identify dimensions/competencies focus in part on how the job is performed. Interviews, observation, and questionnaires are used to elicit information from people performing a job or in a role and people who know about the job/role, such as supervisors and sometimes peers, customers, and vendors. The question is, "Exactly who and what should be studied?"

To use a high-performing job incumbent's personal characteristics as a model of effectiveness (the performer approach) is to focus on possibly idiosyncratic characteristics. In any job top performers tend to leverage their strengths to maximize their effectiveness; essentially, they mold the job to fit themselves. One cannot assume that everything a good performer does on the job is good or that a top performer possesses all the characteristics required to complete the job effectively.
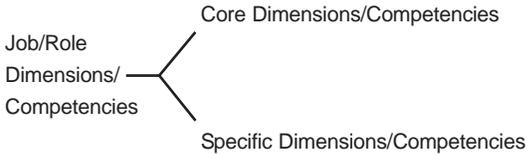
Types of Dimensions/Competencies Organized by Purpose	Focus of Job/Role Analysis
Job/Role Dimensions/Competencies — Core Dimensions/Competencies	Vision and values with some input from job performance
Job/Role Dimensions/Competencies — Specific Dimensions/Competencies	Job/Role performance with some input from vision and values

Figure 5.1. Relationship of types of dimensions/competencies to focus of job/role analysis. This figure enlarges on part of Figure 2.4 to show how the focus of a job/role analysis changes with how the dimensions/competencies will be used.

This chapter considers two very important issues in defining dimensions/competencies through job/role analyses: (1) which perspective to use—performers or performance—and (2) the range of performance to be sampled. Job analysis methodology is reviewed in the Appendix and discussed in detail in DDI Monograph XI, *Understanding Job Analysis*.

Performers or Performance?

Job/Role analysis can be approached either from a *performer* perspective or a *job performance* perspective. The performer's approach focuses on the individual and identifies what a person *brings* to a job to be successful (outstanding, superior, etc.) or unsuccessful. The performance approach focuses on the job or role and identifies what people *must do* to be successful or unsuccessful in a job.

By examining only top performers, the full range of approaches to achieving success is never determined. This can lead to defining dimensions/competencies in a way that might limit the diversity of individuals seen as capable of success in a given job or role.

For most applications Development Dimensions International recommends the job performance focus (the second approach). This approach provides a more accurate picture of what is required for success in a job by addressing the common job elements that a person must do well to succeed. The way individuals approach the job might vary, but there is always a clear understanding of how job success is obtained.

Personal characteristics are not as important as whether individuals are able to use their talents to do what the job requires. Identifying the "things that must be done well to do the job well" provides the best material for defining dimensions/competencies.

To understand job performance, consider the individuals who are the focus of a Development Dimensions International job analysis. These people include:

> A range of people fully functioning in the job or role who can provide information. They tell how they spend their time (on budgets, decision making, etc.). The analyst or expert system computer program translates the activities into behaviorally defined dimensions.

> Managers above the target job/role who can provide critical incidents related to specific examples of effective (totally acceptable, successful) and ineffective job performance. They describe what was said or done that produced a positive or negative outcome.

The DDI system does not expect to find all examples of good job performance in a few outstanding individuals. Even outstanding people have weaknesses as well as strengths. Likewise, an average performer can show a strength in one area. The analysts in these critical incident meetings seek examples of positive performance and what the individual said or did that brought it about—not examples of the person's overall success.

Range of Performance to Be Sampled

There are two main options for sampling range of performance:

1. Superior and average performance.

   In this approach, identifying dimensions/competencies that distinguish between superior or outstanding and average performance in a job is the stated goal. Information on what leads to superior or average performance is collected.

2. Superior and ineffective performance.

   This approach focuses on the entire range of job performance. Job analysts collect information about what leads to both highly effective (superior) and ineffective job performance.

Identifying what leads to ineffective performance is important. Researchers have long noted that the reasons for job failure are not the mirror image of the reasons for job success. For example, police officers can fail to be effective in describing a crime scene because of poor writing skills. But outstanding writing ability has no impact on superior job performance. For selection, promotion, and other uses, identifying people who will fail is just as important as identifying those who will succeed. Looking at both outstanding and ineffective performance results in a full range of dimensions/competencies important to job performance. When only effective and average performance are examined, valuable data is lost.

Advantages of Analyzing Effective and Ineffective Performance

Following are several advantages for basing a job/role analysis on job performance (instead of performers) and including information on both effective and ineffective performance:

> A performance orientation provides better data for defining dimensions. (See Chapter 6.)

> Behavioral definitions built on a performance orientation are more defensible to legal challenge because they are easier to use; their use in applications (e.g., performance management) requires less training; and they link more closely to training and development applications, which often focus on behavior change.

> A performance orientation provides better data for developing a behaviorally anchored rating scale (BARS). A performer orientation, on the other hand, often produces idiosyncratic descriptors that may or may not have meaning to users in each specific application. (See Chapter 7.)

> Investigating the reasons for successful and unsuccessful job performance provides a broader range of useful information than can be obtained by focusing only on successful performers. People fail for reasons that often are not the opposite of the reasons for their success.

> Organizations often wish to find dimensions/competencies associated with absenteeism and turnover—areas not associated with high performance.

Defining High and Low Performance

Organizations seem to have no trouble naming the bottom of a performance scale. To describe that point, almost all use *ineffective* or *poor;* there is no practical difference in the meanings of those two descriptors. However, the top of the scale shows more variation. *Outstanding, superior, effective, acceptable,* and *successful* are commonly used. Taken literally, these descriptors define various percentages of the workforce population.

Development Dimensions International's experience shows that if high-performing individuals are taken from the top 5, 10, 20, or even 50 percent, the selection of dimensions/competencies is affected very little as long as the focus is on job performance. Obviously, the larger the number of people available in the high-performing category, the easier the job/role analysis.

Once the dimensions/competencies are determined, an organization that wants to attract people similar to its current top 5 percent of employees can do so by considering only individuals who score high in each dimension/ competency.

However, there are equal employment opportunity issues involved in selecting only superior or outstanding individuals. For instance, can an organization not hire or promote a protected employee who would be "fully effective" but not "outstanding"? There is good reason to be careful in this area.

CHAPTER 6—DEFINING DIMENSIONS/COMPETENCIES

One of the primary goals in implementing dimension-/competency-based human resource systems is to have dimensions that relatively untrained people can readily understand and reliably use. Achieving this goal depends on the quality of the dimension/competency definition, how the dimensions/competencies are evaluated, and the extent and quality of training. This chapter will consider various approaches to defining dimensions/competencies. Chapters 7 and 8 will deal with evaluation methods and user training.

The Importance of Clear Definitions

It cannot be overstated: In order for dimension-/competency-based human resource systems to succeed, their dimensions/competencies need to be clearly defined. Clear definitions are key because dimensions/competencies are used to:

> **Evaluate people for selection or promotion**—Unclear definitions can undermine the reliability and accuracy of selection decisions, seriously impacting both the organization and the individuals being evaluated. Evaluators observing an assessment center exercise, completing a multiperspective feedback instrument, or rating job performance must be able to reliably categorize the behavior observed or information obtained into the appropriate dimension/competency.

> **Diagnose training and development needs**—The training prescription's accuracy is directly related to the precision of the diagnosis, which is itself directly related to the clarity and completeness of the dimension/competency definition. The appropriate development activity stemming from a diagnosis of "poor communication skills" would be less specific and accurate than from a diagnosis of "failure to summarize and check for understanding in formal presentations."

> **Provide guidance for career planning decisions**—The goal of a modern do-it-yourself career planning system is to provide clear guidance to users. Unclear definitions can ruin the effectiveness of an entire system.

> **Design training and development programs**—Dimensions/Competencies used for evaluating training and development needs also can be used to help build training programs. To link training to each dimension/competency, specific behaviors associated with the dimensions/competencies must be included in the definition, and there must be minimal overlap of behaviors among dimensions/competencies.

> **Link dimensions/competencies to compensation**—If dimensions/competencies are included when evaluating individuals for compensation purposes (e.g., pay for competence), clear definitions are important for both the organization and the individual. Clarity gives people the direction they need to build competence while providing a reliable and valid standard against which to measure dimensions/competencies.

> **Provide feedback**—Once assessed against a set of dimensions/competencies (through whatever technique), a person often will receive feedback on his or her performance. The more this feedback is able to target specific behavioral areas of concern and strengths, the more the person will be able to understand it and take appropriate action.

Problems Related to Clarity

Given the importance of clearly defined dimensions/competencies, it is surprising how often poorly defined ones are encountered. Three factors contribute to the development of weak definitions.

1. Dimension/Competency definitions overlap and are not independent.

With overlapping or nonindependent definitions, it becomes difficult to tell where one ends and another begins. When evaluating a person for selection, promotion, compensation, or development, evaluators might think they are rating a given number (say 12) of dimensions/ competencies. But if the definitions overlap, the evaluators actually might be evaluating only four or five true dimensions. Ratings on each of the 12 incorporate information from several true dimensions/competencies, resulting in inaccurate ratings, frustrated raters, and little clarity on the individual's strengths and weaknesses. Confusion also results when using overlapping dimensions/competencies for feedback. True strengths and developmental needs become indistinguishable because they are lost in the muddle of overlap and nonindependence.

Dimension/Competency evaluation involves observing behavior (e.g., in an assessment center), listening to an account of behavior (e.g., in an interview), or recalling past behavior (e.g., multiperspective assessment), then classifying the behavior into the appropriate dimension/competency. Overlap makes it difficult to decide into which dimension/ competency to classify a behavior.

For example, compare the three dimensions/ competencies in Figure 6.1, all identified as important for senior management within one organization. Although each dimension/ competency in the figure could stand on its own as important, an evaluator using all three faces

a serious challenge. For instance, he or she would have difficulty deciding where to classify leadership behaviors related to rewarding and supporting appropriate behavior.

Figure 6.1 illustrates overlap that could have been avoided with better definitions. However, because the behaviors required to perform a job or function effectively are interconnected and complex, some overlap is probably unavoidable. Faced with an overlap, it is important to clarify the classification process by specifying decision rules. For example, planning behaviors can be a part of managing day-to-day activities (part of the dimension Work Management) or they could be related to managing a specific project (part of the dimension Project Planning). A decision rule can specify when planning behavior should be classified as Work Management or as Project Planning.

People Development—*Creating an environment that allows people to develop their potential. Aligning organizational and people development objectives and encouraging, supporting, and rewarding appropriate behaviors in peers and associates.*

Leadership—*Creating energy and supporting and rewarding behaviors that create shared vision and values and encourage individuals to perform effectively. Using a range of leadership styles and maintaining appropriate role models to build cohesive, independent, and effective teams and individuals.*

Impact and Influence—*Helping people and the business grow by removing impediments to improving performance and by using appropriate rewards and recognition. Overcoming impediments based on divergence of culture, values, and ideas.*

Figure 6.1. Dimensions/Competencies that overlap considerably on supporting and rewarding appropriate behavior, making accurate evaluation difficult.

2. Dimensions/Competencies are defined too broadly.

A related problem, with similar difficulties for effective use, occurs when a number of distinct true dimensions/competencies are clustered into one dimension/competency. Any rating of this type of dimension/competency is a rough average of several dimensions/competencies; the rating would provide no clear guidance to decision makers or to the person being rated. For example, in Figure 6.2 the definition for Resource Management includes two types of behavior: collecting information for managing projects (a part of the dimension Information Monitoring) and assigning appropriate tasks to others (a part of the dimension Delegation of Authority and Responsibility). Obviously, a person could be very good at collecting information and very poor at assigning tasks. His or her rating in this dimension/competency might end up at an "acceptable" level—hiding a strength in Information Monitoring and a developmental need in Delegation of Authority and Responsibility.

Resource Management—*Sets up procedures for collecting and reviewing information for managing projects or the organization; takes into consideration the skills, knowledge, and expertise of the responsible individual and characteristics of the assignments or projects. Allocates decision-making authority and task responsibilities to appropriate subordinates; utilizes subordinates' time, skills, and potential effectively. Balances short-term consequences with long-term benefits/strategic vision and costs and anticipates resource needs.*

Figure 6.2. Example of a dimension/competency that includes too broad a range of behaviors.

3. Dimensions/Competencies are not clearly defined.

Yet another common problem with definitions is that they are not written clearly and don't provide examples of how the dimensions/competencies are demonstrated on the job. A poorly written dimension/competency causes confusion because users develop different understandings of what it means. This range of understandings leads to poor rating reliability (i.e., evaluators classify the same data or observations under different dimensions/competencies), which affects selection, promotion, and compensation decisions. Unclear dimension/competency definitions also provide little guidance to individuals who want to develop themselves or to training professionals who want to assemble training or development programs.

Self Management—*The ability to use one's abilities to the greatest effort.*

Charismatic Leadership—*Instills others with a sense of pride, faith, respect, and trust in him/her. Creates a sense of enthusiasm in those he/she works with. Has special gift of seeing what really matters in the work and personal lives of subordinates.*

Customer Service—*Doing whatever it takes to maintain customer satisfaction but not at the risk of organization goals. Severing the customer effectively.*

Figure 6.3. Three poorly defined dimensions/competencies.

Figure 6.3 presents three examples of vaguely defined dimensions/competencies. The names of many dimensions/competencies, including those in Figure 6.3, have common usage meanings, which can vary widely. For one person, "customer service" relates to the quality of one-on-one interactions; for someone else, "customer service" relates to the prompt delivery of a product or service; for yet another, it might mean both. A good dimension/competency definition will be phrased in such a way as to clearly state what is and is not included within its scope. A meaning can be clarified by specifying the key components or actions associated with a dimension/competency or by including examples of how it is demonstrated on the job.

Selecting an Approach to Defining Dimensions/Competencies

There are three common approaches to defining dimensions/competencies: (1) paragraph definition, (2) behaviorally anchored rating scale, and (3) comprehensive three-part definition.

1. Paragraph Definition

A paragraph definition is brief and easy to use and has value for discussing the dimension/competency in general terms.

However, the paragraph does not provide enough information to engender accurate understanding of the details of a dimension/competency or permit its effective use in a human resource application. Figure 6.4 presents a paragraph definition for the dimension Analysis. The definition is clearly stated, but the depth of understanding gained from reading the definition is limited by its brevity.

Analysis—*Identifying and understanding issues, problems, and opportunities; comparing data from different sources to draw conclusions.*

Figure 6.4. A simple paragraph definition is useful for a general discussion of dimensions/competencies, but it is not specific enough to use reliably in a human resource application.

Discretionary Effort involves going above and beyond job responsibilities and/or taking action without being asked to produce positive results.

1. **Takes independent action:** Works well and effectively without being prompted.

2. **Puts forth extra effort:** Does all that is necessary to get tasks completed (e.g., works extra hours or on weekends).

3. **Takes on additional responsibilities:** Commits to extra tasks or assignments outside of formal job duties.

4. **Does much more than required:** Initiates and carries through on major projects.

5. **Assumes authority:** Takes action in appropriate ways without securing formal authority, bends the rules when necessary to get the job done.

6. **Moves others to action:** Motivates and guides others' extra efforts.

Figure 6.5. Example of a dimension/competency defined using a behaviorally anchored rating scale.

2. Behaviorally Anchored Rating Scale

A behaviorally anchored rating scale (BARS) describes various degrees of competence relative to a dimension/competency. An example is presented in Figure 6.5.

As Figure 6.5 shows, a BARS defines a dimension/competency with greater clarity by supplementing the paragraph definition with examples of reflective behavior. The pros and cons of BARS for rating dimensions/competencies are discussed in Chapter 7.

3. Comprehensive Three-Part Definition

The three-part definition—with its paragraph definition, key actions, and representative examples—is the most comprehensive (and clearest) approach to defining dimensions/competencies. First, the definition includes the easy-to-use paragraph definition, which can be helpful when listing the dimension/competency in a rating form. Second are the key components (key actions) that, if performed effectively, will lead to success. The key actions play an important role in evaluating performance, providing effective feedback, and developing training solutions. Third, the definition provides very specific information on how the dimension/competency is relevant to a given job/role (representative examples).

This information helps identify and develop resources to support competence development while enabling an individual to understand why the dimension/competency is important. This understanding has clear implications for buy-in and the effective use of the dimension/competency. Figure 6.6 features an example taken from a Development Dimensions International client's set of dimensions/competencies for a specific job.

Building appropriate three-part definitions relies on the job/role analysis process for information on what dimensions/competencies to include and how to define them. (See Chapter 4 for different approaches to job/role analysis and the Appendix for a more complete discussion.) Typically, to avoid overlap and increase understanding, the paragraph is taken from a dimension/competency dictionary. The short, descriptive paragraph does not usually change from level to level or position to position. For example, the paragraph description of Analysis/Problem Assessment in Figure 6.6 could be used for a machine operator or a sales manager.

Sometimes key actions are tailored to a specific job, role, or level by editing the dimension dictionary version. For example, for Analysis/Problem Assessment, the key action "Performing data analysis" would be included for some management positions but almost never for administrative assistant positions. New key actions can be developed for a definition, but this usually is not necessary if a good dimension dictionary is used at the beginning.

Analysis—*Identifying and understanding issues, problems, and opportunities; comparing data from different sources to draw conclusions.*

Key Actions

> **Identifies issues, problems, opportunities**—Recognizes issues, problems, or opportunities and determines whether action is needed.

> **Gathers information**—Identifies the need for and collects information to better understand issues, problems, and opportunities.

> **Interprets information**—Integrates information from a variety of sources; detects trends, associations, and cause-effect relationships.

Representative Examples

> Investigates and understands personal and interpersonal conflicts occurring in the office.

> Reviews historical P&L statements and regionally directed targets to develop a viable annual budget.

> Evaluates return on investment for business development activities (e.g., cost of seminar versus revenue generated).

> Obtains broker's regulatory history and other reference check information and follows up during the interview to ensure no history of significant regulatory infractions. Keeps up to date on changes.

> Listens to informal comments in the office that suggest the need to monitor certain sales activities (e.g., comments of brokers and support staff).

> Identifies problems and potential problems between brokers and customers.

> Asks probing questions and listens carefully to determine what is most important to the brokers in building their business.

> Follows up on high-volume transactions with broker and client (e.g., asks why transactions were made; ensures transactions are in line with client objectives).

> Evaluates resources required to address an issue or problem.

> Develops a recruiting plan that determines the number of brokers required to recruit (e.g., reviews P&L forecast, determines the rate of attrition, calculates gross production of recruits, links recruiting plan to targeted market demographics).

Figure 6.6. A comprehensive, three-part dimension/competency definition provides clarity by including a paragraph definition, key actions, and representative examples.

Representative examples also are based on information obtained in the job/role analysis. While usually customized, some examples of how the dimension/competency can be demonstrated on the job can come from a standard list. The more closely the dimension/competency can be tied to specific job activities, the greater its clarity and the more likely that individuals will understand its relevance. The narrower the focus of the job/role analysis, the more specific the representative examples can be. For example, great specificity can and should exist when defining a dimension/competency for a specific role, while only a general representative example can be used when defining a core dimension/competency.

Improving Poorly Defined Dimensions/Competencies

Some organizations select their dimensions/competencies haphazardly, giving little thought to reliable evaluation. The resulting dimensions/competencies are so poorly defined and overlap so much that they cannot be used effectively for selection, promotion, multiperspective rating, or any other practical application. In these cases it is common to use the poorly defined dimensions/competencies as rough descriptions of clusters of well-defined dimensions obtained from a job analysis. This procedure allows the organization to keep its poorly defined dimension/competency labels while still having a more exact and reliable evaluation of performance. An example of some of the linkages that can be made is provided below.

ABC Corporation Competency Linkages

ABC's Original Competencies	*DDI Dimensions/Competencies*
Bias for Action	Initiating Action
	Strategic Decision Making
	Operational Decision Making
Learning and Knowledge Integration	Facilitating Change
	Strategic Job Design
	Developing Others
Empowerment	Delegating Responsibility
	Strategic Job Design
	Inspiring Others

The grouping of well-defined dimensions/competencies under the existing poorly defined dimension/competency label will not be exact because of a lack of precision in the original competencies.

CHAPTER 7—EVALUATING DIMENSIONS/COMPETENCIES

The success of an implementation depends to a large degree on the rating system used to evaluate dimensions/competencies. The goals of evaluation are reliability—multiple evaluators arrive at the same ratings—and accuracy—the rating clearly describes the observed behavior, knowledge, or motivation.

Rating Scales

There are two major types of dimension/competency rating scales important to human resource applications. Both the numerical-type (or Likert) scale and the behaviorally anchored rating scale (or BARS) can be used to compare an individual to a level of performance required in a specific job, role, or level. However, the BARS approach is best adopted when comparing an individual to the requirements of numerous jobs, roles, or levels.

Comparing an Individual to Specific Job, Role, or Level Requirements

The most frequent decision made using dimensions/competencies is whether an individual can successfully demonstrate (or has successfully demonstrated) the dimensions required for a job, role, or job level. Selection, promotion, and performance management evaluations are the most common examples

of these job-/role-specific decisions. But of growing importance are decisions on whether someone is capable of taking on a new role responsibility or serving effectively on an ad hoc team without formally changing his or her existing job or function.

In these situations the decision makers usually are managers or other people familiar with the requirements of the targeted job or role. Thus, the most appropriate scale to use in rating dimensions/competencies is one that seeks information on how an individual is performing or will perform *relative to performance required on the job/role*. The comparison is between how well someone has demonstrated the relevant behavior, motivation, or knowledge and the level of effectiveness required in the job/role.

The scale in Figure 7.1 has proven to be extremely reliable and accurate in making these evaluations. (This scale is used by Development Dimensions International.)

The key to the success of this scale is the definition of *acceptable:* Does it mean adequate or barely sufficient or average? Development Dimensions International defines *acceptable* as fully functioning, doing things well, successful. People rated "acceptable" would make a manager proud;

5	Much more than acceptable	Significantly above criteria required for successful job performance
4	More than acceptable	Generally exceeds criteria relative to quality and quantity of behavior required
3	Acceptable	Meets criteria relative to quality and quantity of behavior required
2	Less than acceptable	Generally does not meet criteria relative to quality and quantity of behavior required
1	Much less than acceptable	Significantly below criteria required for successful job performance

Figure 7.1. Widely used Likert-type rating scale.

he or she would be happy if the entire staff comprised such people. (See targeting job/role analysis in Chapter 5.) The training of users is very important in ensuring an appropriate and common definition of acceptable. (See Chapter 8.) If appropriate, *acceptable* can be replaced with another word close in meaning, such as *superior, effective,* or *successful*.

Evaluators familiar with the job find the five-point scale accurate and easy to use. To increase reliability and accuracy for selection or promotion purposes, two or more evaluators can rate an individual using this scale, compare their ratings and rationales, and arrive at a consensus rating for each dimension/competency assessed. In this case the scale acts as a convenient communication device, helping the evaluators understand one another's views and reach a consensus on each dimension/competency being evaluated.

Does a larger scale create more reliability or distinguish among people better? Should an organization use a 1–5, 1–7, 1–9 scale or one with an even larger range?

The range of points in a numerical Likert-type scale is a matter of personal judgment. There are not a lot of differences among scales. However, scientific research has shown that, all things considered, a 1–5 or 1–7 scale is most effective for most situations.

A behaviorally anchored rating scale (BARS) can also be used to evaluate an individual against specific job/role requirements. The points on these rating scales provide examples of levels of performance possible in the dimension/competency. (Turn to page 29 for an example in Figure 7.2. Figure 7.3 on page 29 features an example of typical directions for using a BARS.)

A BARS engenders a perception of greater accuracy because of its anchors' seeming specificity. However, considerable research has shown that the BARS has no accuracy advantage over numerical rating scales. (See McKenna, 1994; Borman, 1991; Kingstrom & Bass, 1981; Landy & Farr, 1980; Schwab, Heneman, & DeCotiis, 1975.) Also, many BARSs have specific properties that create usage problems. These are discussed in the next section.

Finally, it is more difficult to train evaluators in the use of a BARS and the meaning of each scale point. When using Likert-type scales, evaluators need only be trained on the meaning of "acceptable." Typically, when an individual is being compared to a specific job or role, the evaluator is familiar with the job or role and understands "acceptable" with little training.

Because a BARS (1) provides no better validity than a numerical rating scale; (2) generally is more difficult to construct; (3) is more difficult to keep current; (4) can cause raters much confusion; and (5) requires considerable training, DDI believes the five-point scale built around acceptable performance is more appropriate and practical for comparing an individual to a specific job, role, or job level.

Comparing an Individual to the Requirements of Numerous Jobs and Roles at Different Organizational Levels

This second type of evaluation is becoming increasingly important. People are evaluated against a set of dimensions/competencies so their performance can be compared to the requirements of several jobs/roles at different organizational levels and in different contexts. The primary applications are career planning, succession planning, and horizontal job movement. (See Chapter 12.) The goal is to match an individual's dimension/competency evaluations against the requirements of different jobs throughout the organization to aid in placement or career and development planning.

Conceptual Thinking *is the ability to understand complex situations and see the relationships between situations that are not obvious. It also involves seeing complex underlying relationships within situations and the use of creative, conceptual, or inductive reasoning.*

1. **Relies on past experience:** Uses only what one knows from the past to understand new situations.

2. **Analyzes patterns:** Observes trends and interrelationships in data. Compares current situation to those encountered in the past.

3. **Applies theories:** Uses knowledge of theory to understand and examine situations. Modifies past learning when necessary to fully understand new situations.

4. **Integrates complex data or situations:** Applies theory and integrates ideas, issues, and conclusions into a clear and practical format.

5. **Creates new concepts for complex issues:** Generates and tests novel concepts, integrating them with traditional concepts as warranted. Develops practical new answers or explanations for complex problems.

6. **Creates new theories:** Identifies subtle relationships from a base of seemingly unrelated data. Creates new theories that explain entire categories of complex situations or issues in a comprehensive manner.

Figure 7.2. An example of a behaviorally anchored rating scale used to evaluate performance in the dimension Conceptual Thinking.

The best way to use the competency scales is as follows:

1. Read the description at the top of each scale.

2. Start reading the scale at Level 1 while asking yourself whether the employee's performance exceeds this level. If it does, then proceed to the next level.

3. Continue through the scale until you have read all seven levels. Then choose the level that best characterizes the employee's actual (not potential) caliber of performance.

Note: It is acceptable, for example, to find that a person's competency level is a 4, even though you did not observe any behaviors that were consistent with level 3 or below.

Figure 7.3. Typical directions for using a BARS.

A Likert-type scale is not suitable for these purposes because it is anchored on acceptable job performance in a specific job (job level, role). For instance, a person might obtain a "5" rating in the dimension Oral Communication against the standard of first-level supervisors, but only be a "3" against the standard of a vice president or someone who works in a public relations department. Because numerical scales are anchored to specific jobs or job levels, it is difficult to use them to make comparisons across various jobs or job levels.

For career planning, succession planning, and horizontal job movement, the ideal scale must be general enough so that it can be used to evaluate individuals from a variety of jobs, roles, or levels, yet specific enough that it is meaningful and clear to the evaluators (who typically are not knowledgeable about the requirements of all the jobs to which the scale is being applied). A BARS has the most value for this type of application. A well-constructed BARS can provide guidance to evaluators that will

enhance reliability and accuracy, while remaining general enough so that individuals, regardless of their current position, can be evaluated fairly. This is a tricky balance to maintain, and there are many BARS in common use that have inherent flaws that lead to inaccuracy and unreliability.

Common Problems with BARS

1. **Too specific or too generic.** Evaluators often see the scale points of a BARS as either too specific or too generic and, therefore, not meaningful to the job/role. A scale is seen as too specific when an evaluator can't figure out how to rate a person because parts of several of the anchor statements describe the person. The anchor's detail becomes a distraction. A scale is

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Proactivity *is a bias for taking action, independently doing things, and not simply thinking about actions.*

0. **Not demonstrated:** This competency is not demonstrated.

1. **Shows persistence:** Persists; takes several steps to overcome obstacles. Does not give up easily when things go wrong.

2. **Deals with opportunities or problems:** Recognizes and acts upon present opportunities or addresses present problems.

3. **Demonstrates decisiveness:** Acts quickly in a crisis or emergency situation.

4. **Acts 2–3 months ahead:** Creates opportunities or minimizes potential problems by making an extra effort (new program, special travel, etc.) within a two- or three-month time frame.

5. **Acts 4–12 months ahead:** Prepares for opportunities or problems that are not obvious to others. Takes action to create an opportunity or avoid a future crisis.

Figure 7.4. Example of a behaviorally anchored rating scale with no clear progression of increasing skill or difficulty from the bottom of the scale to the top.

seen as too generic when an evaluator can't find any anchors that fit the particular person. While the evaluator is instructed to generalize from behavioral anchors, many evaluators seek exact descriptions, and when they don't find them, they become confused and frustrated.

2. **Not a scale.** Some scales have no clear progression of increasing skill or difficulty from the bottom to the top. With such a scale, individuals can demonstrate the behavior described at one level but not demonstrate the behavior described at a lower level. For example, for Proactivity (Figure 7.4), it would be possible to encounter someone who is decisive in a crisis and takes quick action (scale point "3"), but who does not persist in taking action when resistance is encountered (scale point "1"). A scale containing inconsistencies will confuse raters and yield less valid results than a more carefully constructed scale.

3. **Biased by level.** Some scales are constructed so that only people near the top of an organization or people in certain positions can achieve high ratings. Figure 7.5 illustrates this point. In the dimension Adaptability, it would be difficult for anyone low in an organizational hierarchy to make "large, long-term adaptations in strategy of own or client company." Yet this same person might be able to show very high levels of Adaptability in other ways. To the extent that job-level bias is built into a BARS, the main advantage of the scale—its use over multiple levels—is lessened.

4. **No negative anchors.** Some scales include no descriptors of negative behavior. As discussed in Chapter 5, many uses of dimensions/competencies benefit from being able to describe poor performance as well as degrees of good performance.

Adaptability *is the ability to be flexible and work effectively in various types of situations and with a variety of people. Adaptability includes understanding and appreciating different and opposing perspectives and adapting one's approach as the requirements of a situation change.*

0. **Not demonstrated:** This competency is not shown in this job.

1. **Sees situations objectively:** Realizes that others' views can be valid.

2. **Applies rules flexibly:** Flexibly applies rules or procedures, depending on the individual situation, to accomplish the organization's larger objectives. "Pinch-hits" by doing coworkers' tasks as necessary during an emergency.

3. **Adjusts tactics:** Adjusts tactics to the situation. Changes own behavior to best respond to the situation.

4. **Adapts strategy:** Adapts one's strategies, goals, or projects to situations at hand.

5. **Makes changes to the organization:** Makes small, short-term adaptations in own or client company.

6. **Makes strategic adjustments:** Makes large, long-term adaptations in strategy of own or client company.

Figure 7.5. Behaviorally anchored rating scales biased toward upper levels of the organization.

Development Dimensions International has overcome these problems by developing a BARS approach built around the *key actions* that are part of all DDI dimension definitions.

(See Chapter 6.) Figure 7.6 shows the DDI version of a BARS, which incorporates the key actions of a dimension definition. The BARS can be used with any dimension/competency that is defined using key actions.

Development Dimensions International overcame the four traditional problems with a BARS as follows:

1. **Too specific or too generic.** This common problem is eliminated because scale developers no longer have to choose behavioral examples to illustrate points on the scale. The user integrates the presence or absence of all the key actions to define an appropriate rating.

2. **Not a scale.** Basing the scale on key actions and the extent to which they are demonstrated yields a scale with increasingly positive anchors with approximately equal intervals between points.

3. **Biased by level.** Because the key actions are not unique to any level or position, there is no level bias in the scale.

4. **No negative anchors.** Negative anchors are provided, with "1" indicating poor performance.

In addition to overcoming these common problems, the DDI version of a BARS has several major advantages:

1. The scale focuses the rater on the key actions, which are the heart of a dimension/competency. The *key actions* clearly show what it takes to be outstanding in a dimension/competency.

<div style="border:1px solid #000; padding:10px;">

Rating Scale

5   Excels in all key actions; full mastery of all
    aspects of this dimension.

4

3   Performs well in the more important/
    critical key actions; needs development
    in at least one or more subtle or complex
    key actions.

2

1   Performs adequately in basic key actions
    but has significant development needs in
    several key actions.

</div>

Figure 7.6. A behaviorally anchored rating scale that focuses on the key actions of a dimension definition.

2. The scale is much easier to train because it is consistent for all dimensions/ competencies.

3. The scale is easier to use because it is the same for each dimension/competency. There is less reading involved, and the user can more quickly evaluate a dimension.

If an organization desires a more traditional approach to a BARS, the DDI scale can be fleshed out to include more descriptive behavioral anchors. Using the original scale as a guide, an organization can determine which key actions are most important to success and which are less so. The key action statements then can be incorporated as prescribed by the DDI scale into the scale points. Figure 7.7 illustrates an example of this approach. Here, the key actions associated with Adaptability have been incorporated into the behaviorally anchored rating scale. Although they are no more accurate than other scales, some organizations perceive them to be more appropriate and useful.

However, care must be taken not to develop scales with the negative characteristics of a typical BARS discussed in the previous section.

Evaluating Components of a Dimension/Competency

Clearly defined dimensions/competencies include the important actions that define effective behavior in them. Development Dimensions International calls these pieces *key actions.* As noted in Chapter 6, key actions are important for clarifying a dimension/ competency definition. They also can be used to provide more detail on the areas within a dimension/competency in which an individual has strengths or developmental needs. To provide this detail, however, means that each of the key actions must be evaluated accurately.

The accurate evaluation of key actions depends on the same factors that lead to accurate evaluation of dimensions/competencies: clear, nonoverlapping behavioral definitions; appropriate training; and appropriate rating scales. The issues discussed in Chapters 6, 7, and 8 with regard to dimensions/competencies can be generalized to apply to key actions.

The major issue is the appropriateness of evaluating at the key action level. It is not possible or desirable to evaluate at the key action level in all circumstances. Evaluating at the key action level takes longer, requires more evaluator training, and might provide a level of detail beyond what is needed.

The most appropriate use of key actions is in multiperspective (360-degree) questionnaires in which each key action can be used as an individual item. By asking survey respondents to evaluate each of the key actions as individual items, the questionnaire effectively covers the breadth of the dimension/competency. The items then can be rolled up into an overall dimension/competency rating. The dimension/ competency does not need to be evaluated if

Adaptability—*Maintaining effectiveness when experiencing major changes in work tasks or the work environment; adjusting effectively to work within new work structures, processes, requirements, or cultures.*

Key Actions

> **Tries to understand changes**—Tries to understand changes in work tasks, situations, and environment as well as the logic or basis for change; actively seeks information about new work situations.

> **Approaches change or newness positively**—Treats change and new situations as opportunities for learning or growth; focuses on the beneficial aspects of change; speaks positively about the change to others.

> **Adjusts behavior**—Quickly modifies behavior to deal effectively with changes in the work environment; readily tries new approaches appropriate for new or changed situations; does not persist with ineffective behaviors.

Rating Scale

5   Actively seeks to understand changes or diversity in one's environment; evaluates need to change objectively without regard to personal impact; maintains performance during periods of change and is energized by change and newness, actively making necessary accommodations in response to changing requirements.

4

3   Actively seeks to understand changes or diversity in one's environment; has a conservative approach to changing requirements but cautiously remains open to making necessary accommodations; although anxious, performance is constant in the face of change.

2

1   Resists change; makes few if any accommodations in response to change; when confronted with unavoidable change, seeks to better understand nature of changing environmental requirements; performance may suffer during period of change.

Figure 7.7. An optional, more detailed rating scale for use in evaluating the dimension Adaptability.

all its key actions are evaluated, but many organizations do so in order to obtain an indication of the raters' overall evaluation. Feedback to the person being rated includes information on the dimension/competency and each key action. Feedback at the key action level provides the individual with a level of detail that facilitates the assembly of a plan targeted at specific developmental needs. (See Chapter 13.)

Key actions also can be evaluated in an assessment center simulation. This use is appropriate if (1) the high level of detail that

an evaluation of key actions provides is a required output and (2) the simulation is designed to elicit adequate behavior to permit reliable ratings of key actions. The evaluation of key actions in an assessment simulation provides greater detail on an individual's areas of strength and weakness. This information can be very useful if the simulation results are being used for development. When the assessment center results are to be used exclusively for entry-level selection decisions, the greater level of detail is not required. Therefore, the extra work—more rigorous training, more

time spent in the evaluation process, and often, more time writing a summary of participant performance—involved in key action ratings usually is not worth the effort.

Key actions should not be rated in targeted behavioral interviews or performance appraisals. In these situations it is unlikely that accurate ratings of key actions can be obtained. Rarely does the interviewer have enough time to explore each key action in enough depth to obtain information for an accurate and reliable rating.

Likewise, in performance appraisal situations the available information is usually not sufficient to arrive at well-grounded ratings for each key action. Ratings at the dimension/competency level are the appropriate choice.

Evaluating Clusters of Dimensions/Competencies

Many organizations group their dimensions/competencies and assign names to the resulting clusters. Many make no particular use of the cluster name, but some assign cluster ratings based on an overall rating of the dimensions/competencies in the cluster.

APPLYING DIMENSIONS/ COMPETENCIES

CHAPTER 8—TRAINING PEOPLE TO EVALUATE DIMENSIONS/COMPETENCIES

In addition to clear definitions and appropriate evaluation scales (Chapters 6 and 7), accurately and reliably evaluating dimensions/competencies requires trained evaluators. Selection system interviewers and assessment center assessors usually receive training in evaluating dimensions/competencies. But managers who complete performance management or multiperspective questionnaires often are not trained. These latter two applications should not be overlooked when it comes to training. Everyone who uses dimensions/competencies to evaluate performance should be able to:

> Accurately and reliably classify observed behavior, motivation, and knowledge/skill into a set of dimensions/competencies.

> Evaluate the quality of individual examples of behavior, motivation, or knowledge/skills.

> Determine a dimension/competency rating based on samples of behavior, motivation, or knowledge/skills obtained in each dimension/competency.

The level of performance required for various human resource applications might vary, but an evaluator must be at least competent in each of the above areas. To ensure competence, training in how to evaluate dimensions/ competencies effectively should achieve these outcomes:

1. **Understanding of the dimensions/ competencies**—Evaluators must have a thorough and clear understanding of each dimension/competency being evaluated. They should be able to easily discriminate among dimensions/competencies, know what distinguishes one from another, and know any decision rules associated with them. Such thorough knowledge of the dimensions/competencies will allow evaluators to classify behavior, motivation, and knowledge/skill accurately and reliably. A thorough understanding also permits more accurate evaluation of whether a behavior, motivation, or knowledge/skill should be considered a positive or negative example of the dimension/competency.

An organization that uses core dimensions/ competencies (i.e., the same dimensions apply to a level or large group within the organization) has an easier training task. Once managers understand the dimensions/ competencies for one target group, they do not need to learn a new set for another target group. Similarly, organizations that have linked their personnel systems around a common set of dimensions/ competencies have an advantage because knowledge of the dimensions/competencies in the one application (e.g., selection system) transfers to other applications (e.g., performance management or career planning).

2. **Skill in gathering high-quality information**—Successful evaluators are skilled in collecting information relevant to the dimensions/competencies under consideration. This information can be gathered through interviews (e.g., selection interviews); observation of behavioral simulations (e.g., a developmental assessment center); observation of performance on the job (e.g., in a performance management context); or by asking people to recall experience with an individual (e.g., using a multiperspective questionnaire). Regardless of the source of the data, the evaluator must be trained in the appropriate method

of data collection. This ensures that any information that will be used to arrive at a dimension/competency rating is of an acceptable quality and that sufficient information is obtained to make a well-grounded rating decision.

3. **Understanding of and ability to use the dimension/competency rating scale**—Evaluators must know how to use the dimension/competency rating scale effectively. The scale's value rests on all evaluators sharing a common understanding of the rating scale and the meaning of its anchors. A five-point Likert-type rating scale (Figure 7.1 on page 27) is anchored on the meaning of a "3" rating—acceptable for a specific job or role. For a BARS, evaluators need to understand the meaning of all the anchors and how literally the scale anchors are to be taken (i.e., does the behavior of the person being rated have to match exactly the anchor or need it only be similar to or in the spirit of the anchor?).

4. **Skill in effectively integrating data obtained from other observers (assessors, interviewers) relative to a dimension/competency**—Many uses of dimensions/competencies require the sharing and integration of behavior, knowledge, and motivation examples obtained from several individuals to reach a consensus rating on a dimension/competency. For example, in DDI's Targeted Selection® interviewing system, three people commonly interview a candidate. Each interviewer has assigned dimensions/competencies to evaluate, with only some assignment overlap (i.e., two or three interviewers interview for the same dimension/competency). After all the interviews are completed, the three interviewers share data obtained on each target dimension/competency and then

reach consensus on an overall rating for each dimension/competency. During data integration it is important that all participants have the knowledge and confidence to fully participate in the session.

5. **Skill in combining dimension/competency data into an overall decision**—In Targeted Selection®, assessment centers, and other uses of dimensions/competencies, the final action often is to consider all the dimension/competency information obtained about an individual to make an overall decision (e.g., hire or don't hire). If this decision is a desired organizational output, everyone involved in final decision making (the decision can be made independently or through a consensus) needs to be trained in how to weigh dimensions/competencies and look for trends and interrelationships among the dimensions/competencies.

Effective Training

Although the training approach used to achieve these five outcomes will vary depending on how the dimensions/competencies are to be used, successful training efforts have several common elements:

> Effective training provides practice in identifying *and* classifying behavior, motivation, or knowledge/skills—two skills that are developed in a successful training session. The first step in developing these skills usually is a thorough review of the dimensions/competencies, which should cover the complete three-part definition and relationships among the dimensions (including overlap). Having the trainees provide examples of each of the dimensions/competencies from their work experience helps them more quickly grasp their meanings.

A behavior categorization exercise is a good next step in developing identification and classification skills. This paper-and-pencil

exercise presents behavior, motivation, and knowledge information representative of the dimensions/competencies being used. Participants work individually to identify each example as a behavior, a motivation, or a knowledge/skill, then classify the examples into dimensions/competencies and note whether the example is positive or negative. They share their responses and rationale with the group, contributing to the process of building an understanding of the dimensions/competencies. Skills in identifying and classifying behavior, motivation, and knowledge/skills continue to develop in ensuing skill practice exercises.

> Effective training in the use of a rating scale is imbedded within broader training on how to apply dimension/competency ratings (e.g., training related to performance management, assessment center, multi-perspective evaluation, interviewing). It is impossible to have effective training outside the context of a particular application or to try to train individuals on several applications at once. The application provides focus for the training session and opportunities for practical skill building.

> Effective training stresses hands-on use of the rating scale. Background on the scale development and information on the rationale for using a scale is important, but learning to use a scale effectively requires practice. An effective approach is to have training participants observe a standard video model of data collection (as in an interview, interaction simulation, or record of past work activities). Participants are asked to classify the behaviors, motivation, and knowledge/skills demonstrated and evaluate them using the rating scale. The instructor then shares the standard (i.e., correct) answers with them, and points of agreement and disagreement are discussed. The use of a standard model and the sharing of responses and rationale within the group build a common understanding of the rating scale.

Next, participants evaluate real data. For example, in interviewer training, participants can interview mock candidates and evaluate the results. A format in which two or more individuals collect and evaluate the same data can be effective in developing reliability. Again, the sharing of responses and rationale is key. Finally, a second standard model can be presented to the group and their responses compared to one another and the correct answers. This approach provides further skill practice and serves as a check on the group's common understanding of the rating scale.

> Effective training provides participants with ample ongoing feedback on their performance. From the initial stages of understanding the meaning of the dimensions/competencies and doing paper-and-pencil evaluation exercises, participants need to receive feedback on their skill development. This feedback should be as specific as possible and should be provided in a manner that maintains or enhances people's self-esteem. Both peers and the instructor can be good sources of feedback. When conducting skill practice exercises, formal opportunities for feedback should be built into the process. As a part of the training, participants should receive an overview of how to provide effective feedback. Whenever possible, feedback should be followed by another opportunity to practice so that key areas in need of development can receive the attention they require.

Finally, training should set an expectation for ongoing feedback and continuing learning on the job. One of the best approaches is to establish a peer review and feedback process in which two or more people periodically evaluate the same information independently and meet to discuss their ratings. They share their results and rationale and discuss agreements and disagreements until consensus is reached. This approach helps to maintain reliability of ratings and reinforce the common

understanding of the rating scales. Documenting decision rules that arise from this process is recommended so group standards can be more formal and enduring.

Amount of Training Required

Time spent training people on how to use dimensions/competencies depends on a number of factors:

> Clear definitions. The less clearly defined the dimensions/competencies or the more overlap among them, the more difficult the learning process. With very unclear or overlapping dimensions/competencies, no amount of training will ensure reliable and valid dimension/competency ratings.

> A well-developed and defined rating scale that fits with how the dimensions/competencies will be used—Likert or a BARS. Choosing the type of scale should be driven by the evaluator's need or purpose. (See Chapter 7.)

> The design of the system. Some selection systems used by retail and fast-food stores are "designed for trainability," where checklists and other tools are used to ease understanding and use, thus dramatically cutting training time.

> How much training the trainee has had in using similar dimensions/competencies and rating scales. If the experience is recent and relevant, training time can be cut. Unfortunately, users' experience often is with poorly defined dimensions/competencies or rating scales. In these cases past experience can be a hindrance.

CHAPTER 9—DIMENSIONS/COMPETENCIES IN SELECTION AND PROMOTION SYSTEMS

Dimensions/Competencies often form the basis of selection or promotion systems because they clearly identify what behavior, motivation, and knowledge/skill areas need to be assessed to determine if a candidate is qualified for a job or position. Dimensions/Competencies help to ensure that high-quality, fair decisions are made. Selection systems not based on dimensions run the risk of including information irrelevant to job success or of missing relevant information that would help in making a good decision. Also, the use of non-job-related information in making selection decisions can result in unfair impact on protected groups (e.g., gender, race, or age) and lead to governmental challenges. Properly identifying and focusing on the dimensions/competencies important for success is critical to making selection or promotion decisions.

The first step in implementing a selection or promotion system is to conduct a legally credible job analysis. (See Appendix for a discussion of job analysis.) A job analysis can take from several hours (as when involving a small group of managers or using a software-based approach) to several weeks to complete. There are many effective ways to conduct a job analysis, depending on the situation and the business need. (See DDI Monograph XI, *Understanding Job Analysis,* for a thorough discussion of job analysis methodology.) Several key elements, however, should always be included to ensure the legal credibility of the job analysis. Chief among these elements are:

> Using effective data collection techniques (e.g., critical incident meetings, structured interviews, job activity questionnaires, visioning meetings).

> Gathering information from the best sources (e.g., incumbents, managers, visionaries).

> Systematically classifying behavioral data into dimensions.

> Having appropriate content experts rate and rank the importance of the dimensions relative to the jobs or roles.

> Documenting the job analysis process. Documentation of a carefully and systematically conducted job analysis process provides all the information required to support the legal credibility of the resulting selection or promotion system.

The most important job analysis output is a validated list of clearly defined dimensions/competencies that are prioritized by importance. This list provides the information required to design and implement effective and efficient selection and promotion processes that will provide decision makers with the information they need to make high-quality decisions.

Designing a Selection or Promotion System

In designing a selection or promotion system, assessment tools are chosen or developed so that all important dimensions/competencies are covered in the most effective manner. The information on the priority of the dimensions/competencies obtained in the job analysis is used to structure the system so that it will evaluate the higher priority dimensions/competencies more comprehensively. More comprehensive evaluation is obtained by using several techniques (e.g., an interview, a behavioral simulation, and a test) to assess the more important dimensions/competencies or by examining the more important dimensions/competencies more carefully than the less important ones (e.g., spending more time on them in an interview).

The types of assessment tools used to assess dimensions/competencies in a selection or promotion system will be determined in large part by two factors: (1) the resources available for implementing the systems and (2) the dimensions/competencies themselves.

The decision on how to structure a selection or promotion system is often constrained by several resource issues. Chief among these issues are:

> The amount of time that can be taken to make decisions.

> The number of individuals who are available to conduct the assessment or participate in the evaluation of candidates.

> The amount of money that can be spent on each candidate.

> The size of the applicant pool (i.e., the anticipated selection ratio) and the potential need for a screen-down, phased selection model.

It is important to balance time and money spent implementing the assessment process against the costs in both that may be incurred if poor decisions are made. There is no easy formula for balancing these considerations. Careful examination of the implications of various options will point toward the best design.

The other main determinant of assessment tools are the dimensions/competencies themselves. Some dimensions/competencies (e.g., Resilience, Motivational Fit) are best assessed through interviewing or testing techniques because behavioral simulations do not provide a good opportunity to collect valid information. Other dimensions/competencies are best assessed through behavioral simulations because of the high quality of information they produce. Major approaches to assessment for selection or promotion are reviewed as follows, and dimensions/competencies for which each approach is most appropriate are examined.

Targeted Behavioral Interview

Undoubtedly, interviews are the most common approach to making selection and promotion decisions. And one of the most effective approaches to interviewing is the targeted

behavioral interview. In this approach the interviewers ask the candidate planned questions that are designed to elicit examples of past behavior relevant to each dimension/competency that is important to the position. Past behavior has been demonstrated to be an excellent predictor of future behavior. Generally, enough planned questions and follow-up questions are asked for each dimension/competency to capture two to three complete examples of behaviors.

DDI calls a complete behavioral description a *STAR* because it contains a **S**ituation or **T**ask, an **A**ction, and a **R**esult. STARs can be collected for knowledge/skill and motivation dimensions. The candidate talks about specific instances in which he or she used a knowledge/skill or was satisfied or dissatisfied with the conditions in a past job or role. STARs provide the data required to evaluate each dimension/competency effectively.

Targeted behavioral interviewing techniques can be used to evaluate any dimension/competency for any job or role. As long as the dimensions/competencies being used are defined in clear behavioral terms, representative examples can be elicited with proper questioning. The examples then can be reliably classified by dimension/competency and evaluated. However, a major obstacle arises when a candidate has had little opportunity to demonstrate dimension-related behaviors. This situation frequently occurs in reengineering efforts, where job/role responsibilities change dramatically, and in evaluating new graduates who have little work experience. When good information on past behavior is not available for all candidates, other methods of assessment should be considered.

Evaluation of Past Job Performance

Evaluating past job performance is similar to targeted interviewing: Both use past behavior to predict future behavior. There are two ways to conduct the evaluation. The first is a structured review of performance management information for all candidates being considered for a position. For this approach to be effective, a performance management system that has produced valid and well-documented ratings must be in place. (See Chapter 10 for a discussion of performance management systems.)

The second is the use of specially structured, single-user dimension-/competency-based questionnaires to collect information on relevant dimensions/competencies when adequate performance information is not available. Typically, managers complete these questionnaires after receiving adequate training to ensure accuracy and reliability in the ratings.

Both ways for getting accurate and reliable job performance ratings have the disadvantage of being limited to the available information or to the memory of the raters. The dimensions/competencies that can be assessed reliably include any for which good information is available. Obviously, this approach cannot be used for off-the-street hiring.

Behavioral Simulations

Behavioral simulations are structured exercises that recreate relevant job/role situations and challenges. They permit reliable measurement of individual performance in the dimensions/competencies being examined. Behavioral simulations often form the core of an assessment center and can be designed to replicate a day in the life of a job incumbent, thereby providing a high degree of realism and acceptance by participants. Behavioral simulations include:

> **In-basket exercises** in which participants review information about a fictitious organization and respond to such issues as correspondence about productivity, morale, and training needs. In-baskets are used to assess administrative and decision-making dimensions.

> **Interaction simulations** in which participants review information on a peer, customer, manager, or prospective client, then meet with a trained roleplayer to gain commitment to a course of action or way to resolve a problem. This exercise assesses leadership, interpersonal, and communication dimensions/competencies.

> **Group discussion exercises** in which a group of participants review background material on a situation or set of issues, then meet to discuss them and agree on an approach to resolving the issues. Group discussions assess team leadership, teamwork, and team-building dimensions/competencies.

> **Analysis exercises** in which participants study quantitative and narrative data about a fictitious organization or situation. They analyze data and make short- and long-term recommendations to improve matters such as productivity, quality, profitability, organizational structure, and morale. Analysis exercises are used to assess decision-making, planning, and communication dimensions.

Other types of behavioral simulations include negotiation exercises for assessing negotiation skills and presentation exercises for assessing communication skills. Unique simulations can be developed for specific assessment needs.

Behavioral simulations provide a high-quality method for demonstrating and assessing (within a limited period of time) many dimensions/competencies. Within the limited scope of a behavioral simulation, it is difficult to assess motivation and personal dimensions (e.g., Tenacity, Resilience, Adaptability) because generally they require information collected over a period of time and from a real-life setting for effective evaluation.

Paper-and-Pencil Tests and Inventories

Paper-and-pencil tests and inventories commonly are used in selection decision making, although they can be useful in some promotion decisions. A variety of such instruments is available, including:

> **Cognitive ability tests**—These tests measure an individual's ability in such areas as reasoning, drawing appropriate conclusions, understanding information, performing mathematical calculations, or understanding analogies. For most jobs cognitive ability has been shown to be a valid predictor of job performance. In general, the more complex the job, the better cognitive ability is as a predictor. In a dimension-/competency-based assessment process, the cognitive ability tests are used to measure such dimensions/competencies as Ability to Learn or Mental Agility.

> **Knowledge tests**—These tests measure specific job-relevant knowledge. The test can be developed to measure any type of job knowledge, such as blueprint reading, corporate law, or employment policies. Knowledge tests are used in an assessment process to measure technical knowledge dimensions/competencies.

> **Personality tests**—In selection or promotion situations, these tests are used by organizations taking a clinical approach to dimensions/ competencies in order to measure relatively stable, underlying characteristics. These characteristics are commonly clustered into five factors that can be labeled conscientiousness, sociability, emotional stability, agreeableness, and "intellectance." Of these five, conscientiousness has received the most attention as a predictor of job performance. Persons who possess this trait or basic motive have been found to be hard working, persevering, and responsible. If a dimension/competency is defined entirely in terms of a personality trait, a personality test can be used to measure the dimension/competency.

> **Behavioral knowledge tests**—These tests measure a person's knowledge of what should be done in a given job situation. The tests feature brief narrative paragraphs or video clips followed by several possible responses. They do not provide a comprehensive measure of any dimension/competency. Instead, they provide an indication of an individual's potential skill in an area. These tests are often used as a screen before conducting a behavioral simulation or interview. They provide a way to ascertain if a person would know what to do in a situation; in the actual situation they may not do what they know to be right, but if they don't know what action would be correct, they are very unlikely to perform it. These types of tests can be developed to assess almost any dimension/competency that requires an overt choice of behavior (e.g., Decision Making, Customer Service, Teamwork, Individual Leadership).

> **Motivation assessment tests**—These tests measure an individual's work-related likes and dislikes and yield a score that can be used to make a selection decision. This decision is based on the degree to which the work-related factors that motivate the individual are similar to those provided by the position or the organization. A common format for this type of test is to have test takers indicate their level of agreement with a series of statements dealing with issues such as leadership, types of work tasks, perceptions of managers and coworkers, empowerment, and workplace culture.

> **Motivation assessment inventories**—Like motivation assessment tests, these inventories measure an individual's work-related likes and dislikes. Unlike tests, they are not used in making selection decisions. Usually, the inventories contain straightforward questions about facets of motivation, such as preference for type of pay structure, desire to work on teams, and preference for leading people. The person's profile on these facets is compared

to the profile for the job to determine the degree of fit. Results of the comparison can be used to target interview questions or as information for the individual to use in deciding what types of jobs to pursue. Figure 9.1 presents a graphic output from Development Dimensions International's computer-based Motivational Fit Inventory.

The facets charted in Figure 9.1 have been determined to indicate overlaps between the desires of the individual and the levels of motivational facets present within a job. These facets are most important in indicating where the individual and the job are well matched. They also can be effectively used in selling the position to the individual. Equally important is a listing of the facets for which there is a significant gap between the desires of the individual and the level of the facet present in the job/role.
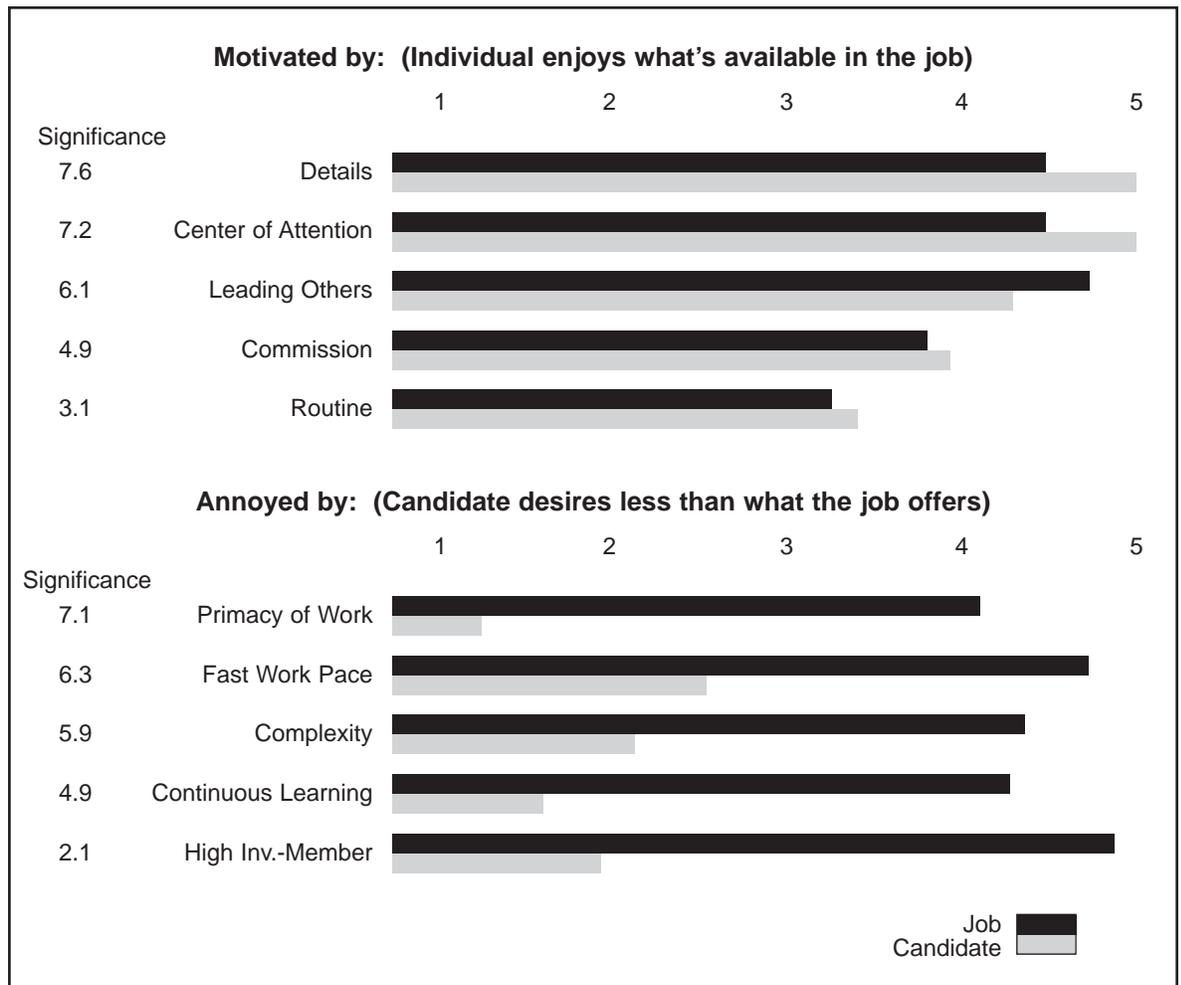
Motivated by: (Individual enjoys what's available in the job)

Significance		1	2	3	4	5
7.6	Details					
7.2	Center of Attention					
6.1	Leading Others					
4.9	Commission					
3.1	Routine					

Annoyed by: (Candidate desires less than what the job offers)

Significance		1	2	3	4	5
7.1	Primacy of Work					
6.3	Fast Work Pace					
5.9	Complexity					
4.9	Continuous Learning					
2.1	High Inv.-Member					

Job
Candidate

Figure 9.1. Motivational Fit Inventory profile showing the match between the job facets that motivate an individual and the facets found in a job.

Multiperspective (360-Degree) Assessment

In this approach an individual's peers, managers, customers, and direct reports—that is, anyone in a position to evaluate a person's performance on the job—rate his or her proficiency on relevant aspects of important dimensions/competencies. Multiperspective tools are used most often for development feedback. This approach to assessment can be used to rate any dimension/competency that can be observed on the job.

Great care must be taken in using multiperspective ratings in promotion decisions. Concerns include bias growing out of competition for a position from those who are making the ratings; people providing ratings on dimensions/competencies for which they have seldom observed the individual's performance; and poor training in the use of the rating scale, which could produce poor reliability and low validity of measurement.

Examples of Selection Systems Built Around Dimensions

Because of the variety of possible assessment tools and potential constraints in any selection or promotion situation, there are many possible ways to assemble an assessment system. Figure 9.2 presents a fairly comprehensive system used for selecting mid-level managers.

> In Phase I a screening interview collects behavioral information on several of the most important dimensions/competencies. Candidates who do not show a minimum level of ability in these key dimensions/competencies are not invited to the next phase of the selection process.

> In Phase II a thorough assessment center provides decision makers with detailed and comprehensive information on most dimensions/competencies. Candidates who perform successfully in the assessment center are invited to the next phase of the selection process.

Mid-Manager Selection System Design Grid								
	Phase I Screening	**Phase II Assessment Center**				**Phase III Final Interviews**		
Dimensions/Competencies (ranked by importance)	Targeted Behavioral Interview	In-Basket Exercise	Peer Interaction	Coaching Interaction	Analysis Exercise	Motivational Fit Inventory	Targeted Behavioral Interview #1	Targeted Behavioral Interview #2
Gaining Commitment	x		x				x	x
Decision Making	x	x			x		x	
Job Fit	x					x	x	x
Coaching	x			x			x	
Communication	x		x	x			x	
Customer Focus	x	x						x
Planning and Organizing		x					x	
Collaboration								x
Delegating Responsibility		x						x
Formal Presentation					x			

Figure 9.2. Dimension coverage grid for a selection system that uses both interviewing and assessment simulations in a three-phase approach.

> In Phase III a motivation inventory is administered to identify areas of potential mismatch in motivation between the individual and the job. In two final behavioral interviews, hiring managers explore areas of motivation mismatch and conduct a final evaluation of the dimensions/competencies. This phase provides a final look at any dimensions/competencies still in question and an opportunity for an in-depth evaluation of motivational dimensions/competencies.

Figure 9.3 features a simpler system used for selecting Telephone Customer Service Technicians.

> In Phase I of this system, an initial battery of four tests is administered by use of a computer. Computer-based testing is used because it is a cost-effective method for gathering and analyzing information quickly from a large number of applicants. Ability to Learn is assessed in this phase because it is a dimension that is difficult to train. The skill dimension Keyboard Skills is evaluated because the organization has determined it cannot afford to train this skill on the job. A motivation test is used to ensure that all candidates have a minimum level of Job Fit; a more in-depth examination will be conducted in the final interviews. The behavioral knowledge test is used to see if individuals demonstrate potential to be effective in the behavioral dimensions. Only individuals who complete this phase successfully are invited to the next phase.

Telephone Customer Service Technician Selection System Design Grid

Dimensions/Competencies (ranked by importance)	Phase I Computer-Based Screening				Phase II Telephone Follow-up	Phase III Final Interviews	
	Learning Ability Test	Keyboard Skills Test	Motivation Test	Behavioral Knowledge Test	Telephone Interview	Targeted Behavioral Interview #1	Targeted Behavioral Interview #2
Building Customer Loyalty				x	x	x	x
Decision Making				x	x	x	x
Job Fit			x		x	x	x
Quality Orientation						x	x
Oral Communication					x	x	x
Applied Learning	x					x	
Energy							x
Collaboration				x			x
Keyboard Skills		x					

Figure 9.3. Dimension coverage grid for a streamlined selection system that uses interviewing as its primary source of information.

> In Phase II a behavioral interview is conducted over the telephone. This brief interview focuses on the three most important dimensions/competencies and on Oral Communication. Information from Phase I can be used to target this interview at the dimensions/competencies requiring the most follow-up.

> In Phase III two face-to-face final interviews are conducted to collect more in-depth information on the behavior and motivation dimensions. The two interviewers then reach a hiring decision.

For efficiency, the phases of the assessment systems are conducted sequentially. Decisions are made after each phase, allowing the focus of the subsequent phase to be on the candidates who show the most promise. Notice also that there is planned overlap in the coverage of the more important dimensions/competencies (those toward the top of the list in the first column). This overlap provides comprehensive coverage for those dimensions/competencies that are more important to success in the jobs/roles.

Choosing the Appropriate Type of Dimensions/Competencies

When implementing a selection or promotion system, one of the first decisions is deciding on the focus for the system. Should it focus narrowly on one job or on a larger group of jobs? The answer to this question boils down to choosing between two types of dimensions/competencies: core or specific. Each choice has its advantages and disadvantages.

Traditionally, specific dimensions, which focus on a single job or small set of closely related jobs, have been the principal type used in selection and promotion systems. Specific dimensions are firmly grounded in the content of the job for which they were developed; thus, they can form the basis for a content-valid assessment system. Legal credibility of a properly constructed selection system based on a set of specific dimensions is well accepted. A specific model provides more precise definitions of the dimensions/competencies and more precise information on their relative importance, permitting an assessment process design that is more closely tailored to the job's requirements.

The major disadvantage of using a specific set of dimensions/competencies for a selection or promotion system is that it can be labor intensive because (1) a job analysis must be conducted for each separate selection or promotion system; (2) unique selection systems must be set up; and (3) managers must be trained in each new system.

Core dimensions, which focus on a broader collection of jobs/roles, are increasingly popular in selection and promotion systems. They are equally acceptable to the government and the courts if the dimensions/competencies are well defined and the selection system is appropriate. A list of core dimensions/competencies offers the advantage of simplicity—only one assessment system is required for a large group of positions. Candidates are evaluated against the criteria required for a large number of jobs/roles, providing the organization with additional flexibility in placing individuals into specific jobs/roles.

Of course, with core dimensions the assessment process is less specific. Because the assessment process is based on a core set of dimensions/competencies, it assesses only those dimensions/competencies that are important to all jobs covered by the core model. Dimensions/Competencies that are important to only one or several of the jobs/roles will not be included.

A common trade-off involves a two-part assessment process: a core assessment process followed by a brief, more specific process that

evaluates those dimensions/competencies required for a specific job/role. This approach ensures that all incumbents are competent in the core dimensions/competencies as well as in those required for a specific position. Often simulations and tests are used to evaluate the core dimensions/competencies while targeted behavioral interviews are used to evaluate the specific dimensions/competencies.

Integrating Dimension/Competency Information

Making a selection or promotion decision about a candidate is not done by averaging the ratings of all the dimensions/competencies assessed because:

> A strength in one dimension can compensate for a weakness in another (e.g., proven ability to learn can compensate for a lack of specific technical knowledge).

> Dimensions are interactive. One dimension can enlarge or decrease the impact of other dimensions. It is bad to be poor in Judgment but worse to be poor in Judgment and high in Decisiveness.

> Some dimensions/competencies are more important than others and deserve more weight.

> Some dimensions/competencies are easier to train than others.

An important part of most selection and promotion systems is training users to effectively integrate data from all the dimensions/competencies into a final decision (i.e., hire/don't hire). The alternative is to mathematically simulate the appropriate integration of dimension ratings and use that formula to make final decisions. The formula must be derived from careful research.

CHAPTER 10—DIMENSIONS/COMPETENCIES IN PERFORMANCE MANAGEMENT/ EVALUATION

An effective performance management system should measure a person's contributions to the organization's success while enhancing the individual's skills and commitment to the organization. Performance management approaches can be evaluated against their ability to achieve these two outcomes. Unfortunately, not all approaches to performance management in use today receive high marks.

An approach common in the 1950s (and still in use today) focuses on individual traits, such as reliability, dependability, and trustworthiness, in the performance management (performance appraisal) process. Because of the inherent difficulty of assessing or developing relatively stable traits in an individual, this obviously is not a promising approach to enhancing organizational or individual outcomes. This approach is represented in Figure 10.1.
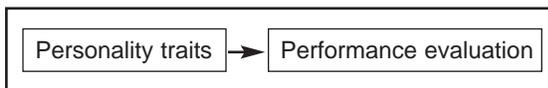

Figure 10.1. Trait-based performance appraisal.

A second, more widely used approach is management by objectives (MBO). Here, people are evaluated against a set of agreed-upon, defined, and measurable outcomes. Achievement of objectives is often linked to compensation. In a pure MBO system, the individual does not receive feedback on how to improve performance. The feedback they receive on attaining objectives is useful in measuring contributions to organizational success, but there is no mechanism for enhancing or guiding performance. This approach is represented in Figure 10.2.
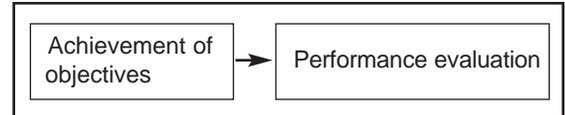

Figure 10.2. Management by objectives approach to performance appraisal.

A third approach, which is very popular today, is to define measurable objectives for an individual and also to identify the dimensions/ competencies required to successfully meet those objectives. An individual receives feedback on his or her success in meeting the objectives (what he or she achieved) and in displaying the dimensions/competencies required for success (how the person went about trying to achieve the objectives). Focusing on what and how emphasizes the contribution to the organization and provides feedback on skill areas that need to be developed so that the person being evaluated can achieve future objectives. In contrast to the first two types of performance evaluations, this approach is truly a performance management one. It not only measures performance but guides performance improvement. Two examples clearly illustrate this point.

In the first example, a project manager takes all the right actions in the dimensions/ competencies of Project Planning, Individual Leadership, and Customer Service. Yet her major project implementation fails because of uncontrollable actions by her client. Her measurable outcomes were not achieved, but her behavior (actions linked to dimensions/ competencies) was very effective—she did all she could. Should she receive a totally unfavorable review? Obviously not, and the dual focus of a performance management system on outcomes and dimensions/ competencies ensures that she won't.

In the second example, a salesperson meets or exceeds revenue goals through the use of high-pressure tactics (behaviors). But these

tactics have alienated clients and resulted in a high number of post-sale customer complaints. Should the dimension-linked behaviors demonstrated by this person be ignored in the performance evaluation? Obviously not, and the dual focus on objectives and dimensions/competencies ensures that they are not.

The use of dimensions/competencies in a performance management approach is an improvement over the standard MBO approach. The evaluation of dimensions/competencies provides useful insight into why an individual has succeeded or failed in meeting objectives and permits the effective targeting of training and development activities.

Core or specific dimensions/competencies can be used when implementing this third system. Because they are more closely linked to an actual job or role, specific dimensions/competencies can better support development to achieve job-related objectives. Core dimensions, which are relevant to a broad range of positions, allow performance management information to be used to compare an individual's performance to that required in other positions or roles. This ability to compare is useful in promotion decisions as well as career, succession, and placement planning. (See Chapter 12 for a discussion of using dimensions/competencies in these planning systems.)

Figure 10.3 illustrates the third approach to performance management.

A fourth approach, which is growing in popularity, is similar to the third method in that it includes the evaluation of dimensions/competencies that directly support individual objectives in a performance management plan. In addition, this fourth approach includes the evaluation of core dimensions/competencies that support the organization's values or strategic direction. This focus broadens the performance management process, enabling the organization to use the process to more
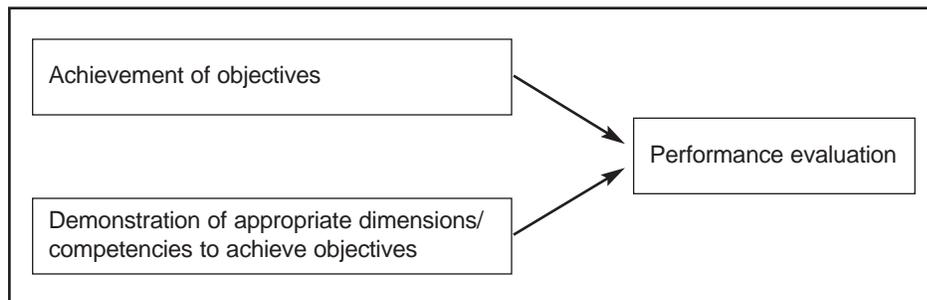

Figure 10.3. An approach to performance management that combines the evaluation of achievement of objectives with performance in dimensions/competencies that support that achievement.

strongly drive change and align behavior with its values and strategy. A person can be guided and coached not only on achieving specific objectives but also on how to align his or her behavior to support the larger organizational values and strategy. This approach is represented in Figure 10.4.

A fifth type of performance management system is beginning to be used when individuals work as part of one or more teams. Because team outcomes are a function of the efforts of all team members, it is difficult to judge individual responsibility for an outcome. In this fifth approach no attempt is made to judge individual contribution or responsibility. The team may be compensated on its achievements through some form of team bonus, but the focus of performance management is on what each individual did (dimension-defined action) as a part of the team. Generally, individual action is easier to identify reliably than is the level of responsibility that should be attributed to a person for the accomplishment (or lack of accomplishment) of one or more team outcomes.
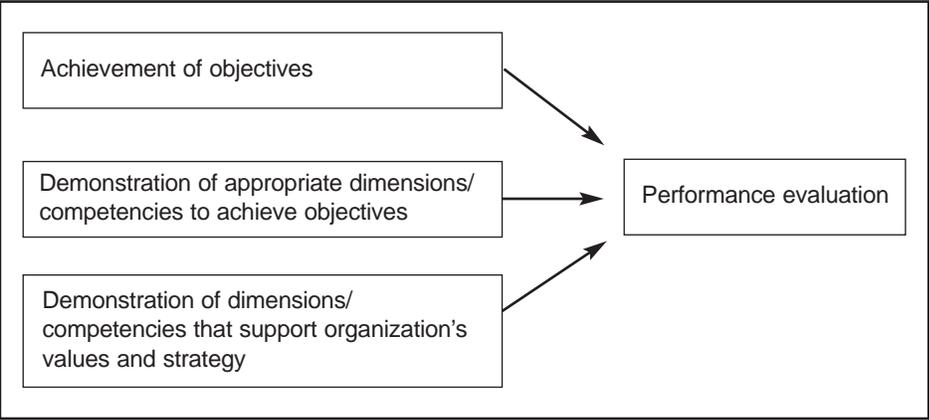

Figure 10.4. An approach to performance management that measures the accomplishment of objectives as well as the measurement of dimensions/competencies that support achieving the objectives and the organization's values and strategy.

Here individual objectives are set only for those objectives over which a person has a reasonable level of control. The focus of the individual feedback is on the dimensions/competencies that should contribute to accomplishing team objectives. The approach also can incorporate dimensions/competencies linked to the organization's values and strategy. This approach is represented in Figure 10.5.

Over the years, performance management has progressed from personality- and outcomes-based approaches that provided no constructive developmental focus to approaches that recognize the need to provide individuals with feedback on outcomes and dimensions/competencies. At the individual level this focus on dimensions/competencies enables people to take a proactive role in their own development by providing guidance in behavior change efforts. At the organizational level the focus on dimensions/competencies in performance management enables organizations to align individual performance with organizational values and strategy while maximizing individual performance in the pursuit of specific work-related objectives.
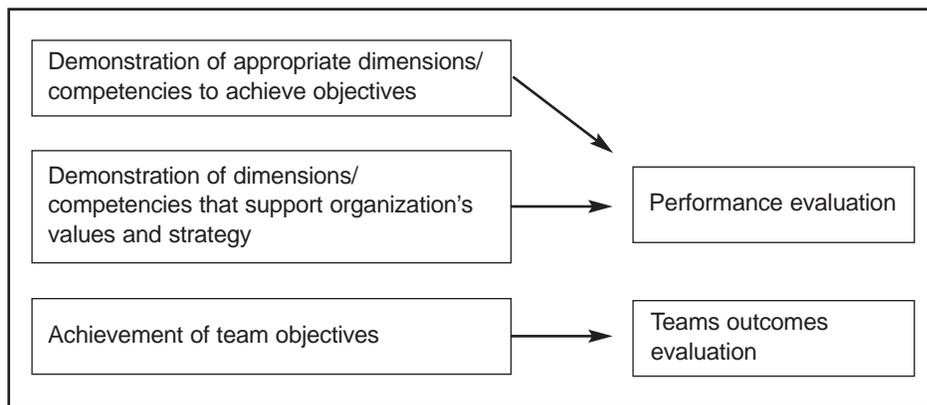

Figure 10.5. An approach to performance management that can be used for individuals whose main contributions come through team efforts.

CHAPTER 11—DIMENSIONS/COMPETENCIES IN COMPENSATION

The linking of dimensions/competencies to pay is one of the most widely discussed topics in human resource circles today. With the breakdown of traditional management structures and their corresponding compensation factors, organizations are scrambling to find fair and appropriate pay systems that reward individuals based on their value to the organization, not the magnitude of the organizational resources they control or impact.

The use of dimensions/competencies as a primary basis for compensation decisions is being widely considered. Yet for all the discussion, there is little clarity on effective methods for making the link between pay and dimensions/competencies. What is apparent is that, for now, there is no one best way and, it seems increasingly likely, there will probably never be one best way for all situations. It is clear, however, that dimensions/competencies can play a role in determining compensation. Several of the major ways in which dimensions/competencies have been linked to pay are described as follows.

First and the most simple, dimensions/competencies can be used as the criteria for promotion to a higher level in the organization, one that offers greater compensation. The use of dimensions/competencies for making promotion decisions is common and highly effective. (See Chapter 9 for more on using dimensions/competencies in making promotion decisions.)

Second, dimensions/competencies evaluated as part of performance management systems can contribute to salary increase decisions. In an effective performance management system, both the achievement of objectives and the approach used to achieve the objectives (i.e., dimensions/competencies) are examined. (See Chapter 10.) Both the degree to which objectives are achieved and the level of effectiveness demonstrated in relevant dimensions/competencies are considered when determining the salary increase. Often, an informal weighting of the two factors is used in making a decision, although the decision-making process can be highly structured. In a structured system each relevant dimension can be given a numerical rating and the average of the ratings determined. The achievement of objectives also can be given a numerical rating. These two ratings are assigned a predetermined weight for calculating the percentage increase (e.g., 40% dimension/competency rating, 60% attainment of objectives). The weighted average of the two ratings is used to determine the increase an individual should receive using a table developed for people in that job or level with a given amount of tenure or experience.

Third, individuals can be paid for attaining a certain level of proficiency on a dimension/competency or a set of dimensions. This approach typically is focused on technical skill or knowledge dimensions where the level of proficiency can be measured easily. The approach also can be used with other types of dimensions/competencies as long as proper measurement methods are in place. In this situation, pay in the form of a salary increase or incentive pay is offered to individuals for attaining a given level of proficiency within a certain time period.

Pay-for-knowledge or pay-for-skill systems are most effective (and most often used) when the rapid development of competence is required, such as in reengineering of work processes, in the expansion of job responsibilities, or in a special assignment to learn something that is key to an organization's success. In special assignment situations, this approach can be a particularly effective motivator because the individual on special assignment is cut off from the traditional reward systems linked to his or her normal responsibilities. In all the

applications of this approach, there is no ongoing link between compensation and dimensions/competencies; the link exists only long enough to achieve the desired improvement in skills or knowledge.

Fourth, dimensions/competencies can serve as the basis for evaluating or "pricing" individual jobs or groups of jobs. Success in a job or position is defined by the required dimensions/competencies as well as the level of proficiency. Jobs requiring more complex or difficult dimensions/competencies for success are more valuable than jobs with simpler or more easily demonstrated dimensions/competencies. Although simple in concept, implementation of such a system throughout an organization is extremely complex.

The biggest problems with pay systems based on dimensions/competencies are (1) managers' ability to accurately evaluate dimension/competency achievement and to defend that evaluation to an individual, and (2) the organization's ability to develop sufficient reliability of judgment among managers to have a fair system throughout the organization. But ensuring accurate and reliable ratings of interpersonal, decision-making, leadership, and management dimensions across an entire organization can be very difficult. It requires considerable commitment to training at all levels, well-defined dimensions/competencies, and monitoring and reinforcing standards.

CHAPTER 12—DIMENSIONS/COMPETENCIES IN CAREER, SUCCESSION, AND PLACEMENT PLANNING

In modern organizations, staffing levels and structures require the increasingly flexible use of human resources. While opportunities for promotion have decreased with flatter organizations, opportunities for lateral movement and for the broadening of individual responsibilities and skills have increased. At the same time, fewer promotion opportunities have made each remaining promotion decision more important to organizational success. More and more, organizations need effective systems for planning and supporting the movement of people within the organization.

Career, succession, and placement planning involve supporting the movement of people into positions that best meet personal or organizational objectives. Career planning typically is initiated by the employee, occurs at all levels in the organization, and has a planning horizon of one to ten years. Succession planning typically is initiated by the organization and focuses on identifying talent for the top two or three levels within the organization. Its planning horizon is usually three to ten years. Placement planning is a less well-known practice driven by an organization's increasing need to create temporary teams or task forces or to respond to special opportunities. Appropriate individuals must be selected quickly into these ad hoc structures. These temporary assignments, and their success, are becoming more important to organizations' success, thereby making the decisions on who to assign to which team or project critical. The planning horizon for placements usually is measured in weeks.

Career, succession, and placement planning processes involve the same basic steps. These are illustrated in Figure 12.1. These steps are discussed with regard to each of the processes in the subsequent sections.

1. Identify dimensions/competencies and experiences required for success in key positions or roles.

A job/role analysis process is used to identify the behavior, motivation, and knowledge dimensions/competencies that are important to success in the jobs and roles targeted for career, succession, or placement planning. Current and future requirements should be included in the list of dimensions/competencies for each position. Dimensions/Competencies that support the organization's vision, values, and strategy should be included as appropriate.

In addition to the dimensions/competencies required for success, the experiences an individual should have to prepare him/her for the new assignment usually should be enumerated. Examples of these experiences might include managing a budget of more than $2,000,000, building a business, managing complex projects, or managing a team. A list of key experiences for a job or role permits decision makers to evaluate the qualifications of potential candidates and provides potential candidates with guidance in identifying appropriate developmental tasks and assignments.

Both core and specific dimensions/competencies are used in career planning applications. Core dimensions/competencies are used to provide general guidance to individuals in choosing a career path and in developing themselves. Specific dimensions/competencies are used to provide more specific guidance as an individual progresses toward a given position.

In succession planning applications, core dimensions/competencies are more frequently used to make general decisions, such as who will be put on a "high potential" list. Both core and specific dimensions/competencies are used to identify individuals as backups for specific jobs or for special assignments.

In placement planning, however, specific dimensions/competencies are more important. The need to fill a position on a virtual team or staff a new assignment can require a quick, flexible job analysis approach so that a profile of dimensions/competencies required for success can be assembled quickly.

No matter for which application the dimension list is used, clear dimension/competency definitions with key actions and representative examples make it possible for people using the system to examine options and make decisions with greater clarity and understanding.

2. *Define level of competence required for jobs/roles using standard, organizationwide scales (e.g., BARS).*

A standard organizationwide rating scale for each dimension/competency is required for any application that will compare individuals from various positions to job/role requirements. Often, this scale will take the form of a BARS (see Chapter 7). The level of proficiency required for each dimension/competency for each position is rated. Typically, this is done by a panel consisting of job experts representing the jobs/roles under consideration.
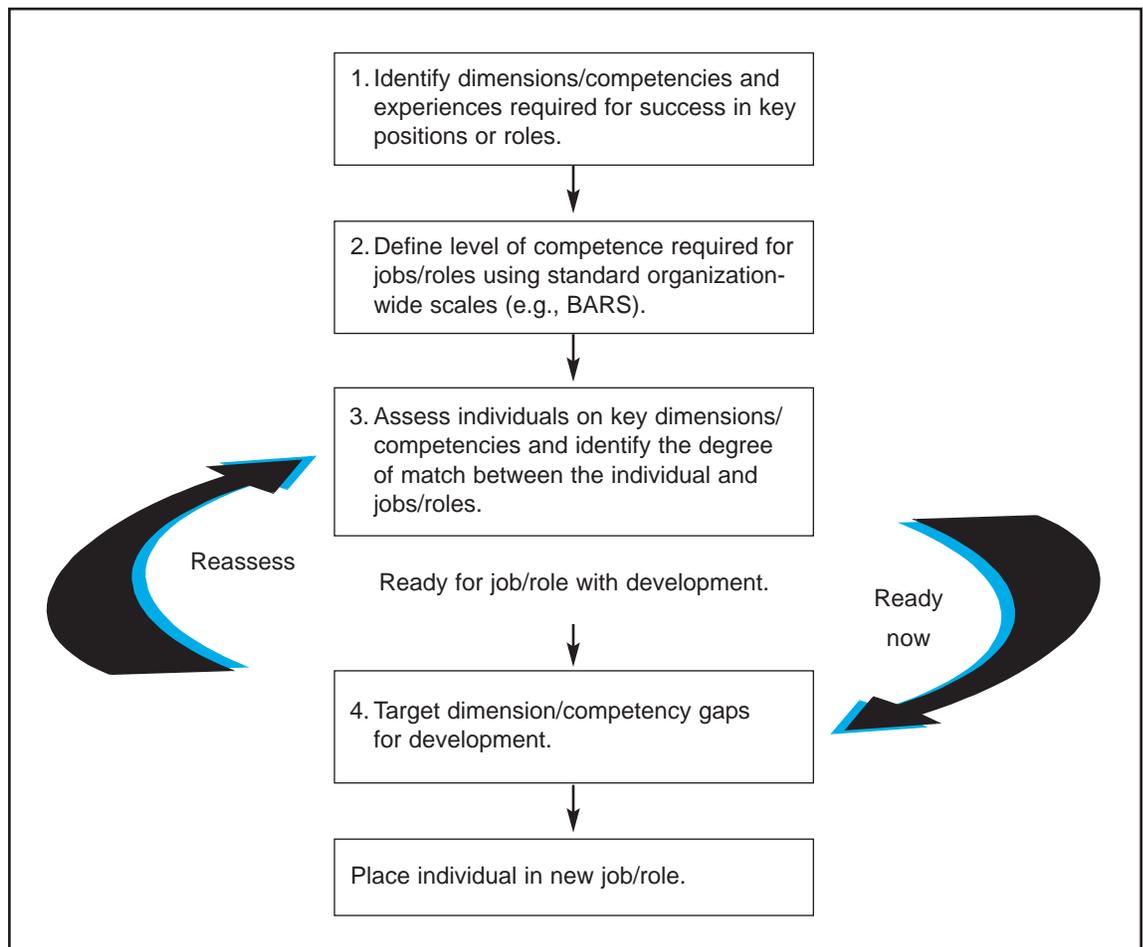

Figure 12.1. The basic steps involved in career, succession, and placement planning.

3. Assess individuals on key dimensions/ competencies and identify the degree of match between the individual and jobs/roles.

After the dimensions/competencies for a job/role have been identified and the level of proficiency required rated on the organization-wide scale, individuals are evaluated on the same scale. Possible assessment tools include multiperspective questionnaires, assessment centers, performance management information, or self-evaluation using questionnaires or self-assessment simulations.

Succession planning assessment results are used to identify people who have a high potential for success in senior manager and executive positions. After being identified, these individuals are targeted for developmental activities to prepare them for advancement toward the target jobs or level.

Career planning assessment results are used to evaluate the degree of fit between current dimensions/competencies and possible new jobs/roles. New jobs/roles can be sought as an end in themselves (e.g., for the types of activities or quality of life provided) or as a development step in a planned career.

Placement planning assessment allows decision makers to quickly scan a number of candidates for a team or other new assignment and select the best individuals based on each person's dimension-position fit and (if the assignment is team based) the mixture of dimensions/ competencies possessed by the team as a whole (i.e., what special strengths the team needs).

4. Target dimension/competency gaps for development.

A perfect match between an individual's dimensions/competencies and those required in a job/role is rare. Some form of development—targeted at important dimension/competency areas—usually is required or beneficial. This development effort can take place before or after placement into the new job/role, depending on circumstances. The individual, usually in collaboration with a manager or coach, puts together a plan for closing the dimension/competency gaps between current skills and those required in the target position. This plan usually supplements the individual's performance management plan (which focuses on maintaining or enhancing performance in the current position). The plan can include: training workshops, on-the-job experiences, formal course work, self-study, or any other activities designed to enhance the person's proficiency in relevant dimensions/competencies. Reassessment can be used to evaluate progress in development or readiness for a new position. (See Chapter 13 for more discussion of using dimensions/competencies in development.)

Dimension-/Competency-based planning systems offer organizations an approach to career, succession, and placement planning that provides positive outcomes for both individuals and organizations. Organizations are able to identify talent effectively, while individuals receive guidance in their development and progress within the organization. With the increased need for organizations to fill positions quickly and to ensure that all internal promotion and placement decisions are filled by the most qualified individuals, these planning systems are becoming increasingly important to organizations' success.

Software Aids

Software applications can maximize the efficiency and usability of career, succession, and placement planning systems. Some of the outputs that make automated systems attractive include:

> Listings of the most qualified individuals to fill an opening on a virtual team.

> Analyses by department or area to identify group strengths or development needs. This information can be used to identify group training needs or evaluate readiness to undertake a new strategic initiative.

> Highlighting of development needs (and training and development recommendations) for someone who aspires to (or is targeted for) promotion into a given job.

> Identification of feeder jobs for top-level succession planning.

> Identification of high-potential individuals for succession planning.

> Career maps that depict the similarities and overlap between positions. Individuals can use such information for career planning.

CHAPTER 13—DIMENSIONS/COMPETENCIES IN TRAINING AND DEVELOPMENT

Integrating dimensions/competencies into an organization's training and development efforts provides many benefits, especially in increased effectiveness and reduced costs. Following are descriptions of the five main uses of dimensions/competencies in training and development applications: curricula evaluation and development, identifying individual training needs, identifying group training needs, evaluating training effectiveness, and self-development planning.

Training Curricula Evaluation and Development

A list of well-defined dimensions/competencies for a job/role, business unit, or organization lays out in black and white the behavior and knowledge requirements for success. (Figure 6.6 on page 25 features an example of a complete, well-defined dimension that includes a paragraph definition, key actions, and representative examples.)

An organization can use a dimension list to evaluate the applicability and quality of training and development programs. The list allows the organization to ask, Do our programs address all the key actions of the dimensions/competencies required for success? Do they do so effectively?

Where gaps in the organization's training curricula exist, additional training can be developed or purchased. Training that is no longer relevant can be discarded. However, not all dimensions/competencies can be easily developed or trained. Dimensions with a large cognitive or mental component (e.g., Practical Learning or Judgment) or which may be deeply ingrained (e.g., Initiative) are more difficult to develop and train than interpersonal dimensions such as Individual Leadership or Teamwork.

Therefore, for the difficult-to-train dimensions/competencies, it becomes more important to select into the jobs/roles people who already possess a minimum level of competence in them.

Figure 13.1 on page 59 depicts the results of an organization's examination of its training and development offerings that build skills and knowledge in the dimensions/competencies for a mid-level manager. The grid reveals that while training is not available for some dimensions (Initiative, Information Monitoring, and Negotiation), for others there are several training and development options. For example, two options are available for Building Partnerships.

The first question to ask is whether the dimensions/competencies that are not covered can be effectively developed. The dimension Initiative, for example, is one that can be encouraged, but it is not one that can be trained easily, so an organization might decide not to offer training for it. For dimensions/competencies that can be trained or developed (e.g., Information Monitoring and Negotiation), the organization can locate or create training workshops or provide other learning options.

When there are more than one learning options for developing the same dimension/competency (as with Building Partnerships), the options should be evaluated for quality and cost effectiveness. The best option that can be accomplished in the least time should be chosen so as to maximize the benefit for participants. Often, however, several learning options for one dimension/competency can be beneficial because they allow individuals to select training and development activities based on preferred learning style, the aspects of a dimension/competency being emphasized, and available time and resources.

Identifying Individual Training and Development Needs

Using this same list of dimensions/competencies, an organization can improve its delivery efficiency by providing training and development resources only to those individuals who need them. There's no value in development that is not relevant to a person's current or future job/ role or to current abilities. The inappropriate use of developmental resources often has a cost in time spent away from the job and in dollars that could be better used elsewhere.

Matching training and other developmental resources to an individual requires an assessment process that determines where the individual stands vis-à-vis the target jobs/roles relevant

Dimensions	Developmental Options													
	Advanced Problem Solving	Public Speaking/ Presentation	Delegating for Success	Empowering Others	Analytic Problem Solving	Technical University Offerings	Building Customer Relationships	Leadership 210	Working with Others	Time Management	Managing Others	Leadership 301	Task Team Leadership	Starpoint Assignment
Building Customer Loyalty							x							
Developing Others				x				x				x		
Gaining Commitment								x				x	x	
Decision Making	x				x									
Planning & Organizing										x	x			
Building Partnerships									x					x
Communication		x												
Delegating Responsibility			x	x										
Initiative														
Information Monitoring														
Negotiation														
Business and Organizational Knowledge						x								

Figure 13.1. One organization's evaluation of available training for dimensions/competencies for a mid-manager's position.

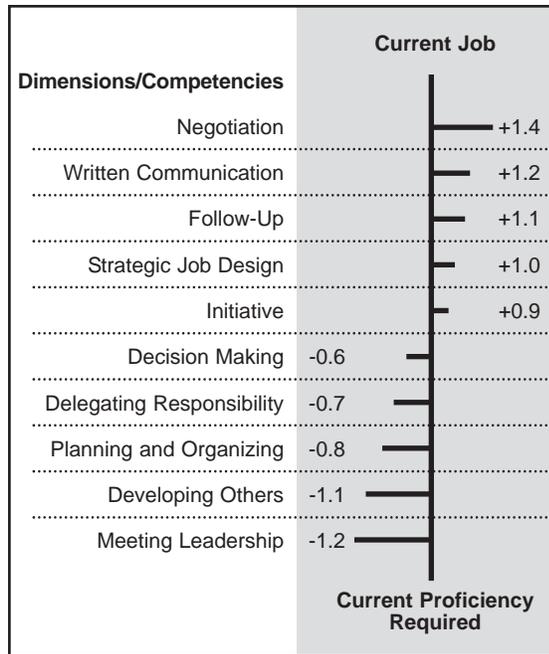| Dimensions/Competencies	Current Job	
Negotiation		+1.4
Written Communication		+1.2
Follow-Up		+1.1
Strategic Job Design		+1.0
Initiative		+0.9
Decision Making	-0.6	
Delegating Responsibility	-0.7	
Planning and Organizing	-0.8	
Developing Others	-1.1	
Meeting Leadership	-1.2	
	Current Proficiency Required	

Figure 13.2. Sample multiperspective report graphically displaying how a participant's strengths and developmental opportunities compare to the proficiency required for a current job.

dimensions/competencies. The assessment could be a manager's thoughtful evaluation, an intensive assessment center, or a multiperspective rating by peers or subordinates.

The key factor in using a dimension-/competency-based approach is to acquire accurate information on the individual's abilities in the dimensions/competencies required for success in his or her job/role. This information can be used by or with the individual on the dimension/competency level (see Figure 13.2 for a sample output from a multiperspective questionnaire and Figure 13.3 for an example from an assessment center report) or key action level (see Figure 13.4 on page 61 for an example from an in-basket simulation). The more specific the key action evaluation is the more useful it is for targeting development areas and activities.

Dimensions	LEVEL OF EFFECTIVENESS				
	Very Much in Need of Development	In Need of Development	Acceptable	More Than Acceptable	Much More Than Acceptable
	1	2	3	4	5
Customer Focus			x		
Delegating Responsibility				x	
Gaining Commitment				x	
Information Monitoring			x		
Decision Making		x			
Oral Communication			x		
Formal Presentation					
Planning and Organizing		x			
Collaboration			x		
Technical/Professional Knowledge					x
Written Communication		x			

Figure 13.3. Assessment center performance summary report at the dimension level.

Analysis—*Identifying and understanding issues, problems, and opportunities; comparing data from different sources to draw conslusions.*	Rating = 3

	Level of Effectiveness		
	Less than Effective	Effective	More than Effective
Identifies issues, problems, and opportunities—Recognizes issues, problems, or opportunities, and determines whether action is needed.			X
Gathers Information—Identifies the need for and collects information to better understand issues, problems, and opportunities.	X		
Intreprets Information—Integrates information from a variety of sources; detects trends, associations, and cause-effect relationships.		X	

In the In-basket Exercise you identified three issues facing you as Terry Douglas. You noted that, because of his ability, Geraldo should attend training and that Jesse Tawker was having difficulties with the Technical Services Group. Several times you requested additional information to handle situations effectively. For example, you identified the problem with Jeff Miller's Suem, Reamim, and Breakup account; asked Jeff why it had not been handled; and suggested that Jeff meet with the client to understand the situation more fully. You noted a few relationships among items in the in-basket, including the Jesse Tawker/Willie Mast dispute and Jesse's memo about the incident. In the exercise you did very little quantitative analysis of the information. You would have been more effective had you analyzed Carol Hilker's activity report to recognize the trend of having an excessive ratio of phone calls to successfully scheduled appointments.

Figure 13.4. Assessment center performance summary report at the individual dimension/competency level with key action ratings and performance summary.

Identifying Group Training and Development Needs

As with individual assessment results, knowledge of general dimension/competency deficits for a group can be used to identify training and development needs. A roll-up of a group's assessment results provides the information needed to identify group performance deficits that can form the nucleus of the areas addressed in general training. Figure 13.5 presents a sample group dimension/competency summary from an executive assessment program implemented by Development Dimensions International. This summary indicates that the organization's development of executives should focus on Visionary Leadership, Building Business Partnerships, Coaching, and Delegation.

Evaluating Training Effectiveness

Having a training curricula targeted at the dimensions/competencies required for success in a job/role not only ensures that the right training can be delivered to the right people— it also provides a built-in, highly job-relevant mechanism for evaluating training effectiveness.

In a dimension-/competency-based system, recommendations for training are based on group or individual performance in a set of important dimensions/competencies. Training's effect can be measured by post-training evaluation of these same dimensions/competencies after an appropriate period of time has elapsed. This pre-test/post-test approach provides a quantitative measure of improvement by dimension. Measures of training effectiveness are also a mechanism by which to validate the investment made in training.

Using Dimensions/Competencies in Self-Development Planning

Increasingly, individuals are being required to take responsibility for their own development. And, with fewer organizations offering lifetime employment, individuals are increasingly focused on enhancing their own employability. In a typical self-development approach, the employee is responsible for formulating an initial development plan. The individual then reviews this plan with his or her manager to gain commitment and support (for such things

Dimensions	Developmental Need		Acceptable		Strength	
	Percentage	Frequency	Percentage	Frequency	Percentage	Frequency
Visionary Leadership	59%	10	35%	6	6%	1
Building Business Partnerships	47%	8	41%	7	11%	2
Communication/Presentation Skills	0%	0	71%	12	29%	5
Coaching	71%	12	24%	4	6%	1
Delegation	47%	8	29%	5	24%	4
Establishing Strategic Direction	29%	5	47%	8	24%	4
Marketing and Entrepreneurial Insight	18%	3	77%	13	6%	1
Operational Decision Making	12%	2	82%	14	6%	1
Managing the Job	12%	2	53%	9	35%	6
Valuing Diversity	0%	0	71%	12	29%	5

Figure 13.5. Group summary report showing the level of effectiveness for each dimension measured as part of an executive development program.

as resources, measurement assistance, and coaching). After the plan is implemented, it is periodically reviewed and modified. The plan can include all types of learning activities, limited by the learner's preference and available time and resources. Plans can contain formal course work, training workshops, on-the-job training, job rotations, mentoring—any approach that the individual believes will be effective and that the organization can support.

Figure 13.6 features a partially completed self-development planning worksheet. This worksheet can be presented to a coach or manager for support of the self-development effort.

As with training and development efforts initiated by the organization, the targets of the development effort should be important dimensions/competencies in which the individual needs development. An assessment process (assessment center, multiperspective assessment, or self-evaluation) points the individual in the right direction by identifying key dimensions/competencies that require development. Reassessment can provide feedback on the success of the development effort while helping to refocus development efforts as appropriate.

Planning Worksheet—Chris Jones			
Dimension/ Competency	**Development Goals**	**Development Activities**	**Management Support** (progress checks, reinforcements, etc.)
Formal Presentation	Prepare and deliver more organized presentations that give clients and prospects a clearer understanding of our products. Significantly improve ratings on session evaluation sheets.	> Attend at least two sales presentations of our top salespeople. List the techniques I could use to deliver more organized presentations. > Ask one of the most skilled presenters to work with me on organizing my next presentation. > Discuss with my manager the feasibility of attending the next workshop, "Presentation Skills for Salespeople," at corporate headquarters.	
Comments			

Figure 13.6. An example of a partially completed self-development plan.

Summary

Figure 13.7 summarizes how dimensions/competencies can be used in training curricula evaluation and development, identifying training and development needs, and evaluating training and development effectiveness. (Keep in mind that individuals who were trained some time ago, but who have not used the rating scale, might benefit from participating in a refresher course.)
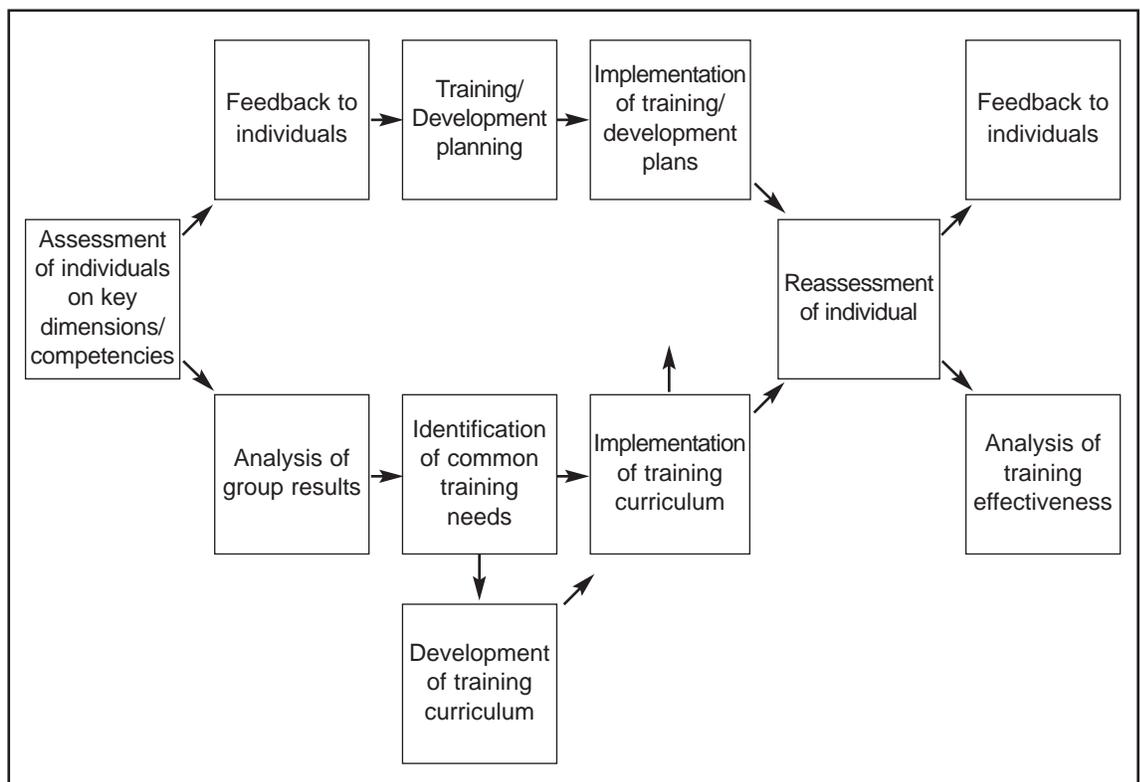

Figure 13.7. How dimensions/competencies are used in training and development.

CHAPTER 14—INTEGRATED HUMAN RESOURCE SYSTEMS BASED ON DIMENSIONS/COMPETENCIES

Chapters 9 through 13 discussed the ways in which dimensions/competencies can be used to enhance the effectiveness of an organization's human resource systems. Although these individual dimension-/competency-based human resource systems can add considerably to an organization's effectiveness, the biggest organizational impact comes from integrating multiple human resource systems around core dimensions/competencies. Integrating human resource systems around core dimensions/competencies maximizes efficiency of each system and supports change and growth within an organization.

What Is an Integrated Human Resource System?

Specialists in such diverse fields as space research, information processing, economics, medicine, and law have shown that the best results are obtained when interrelated and coordinated systems are dealt with as a whole rather than as single, independent elements. However, few organizations apply a systems approach to human resource activities, even though there is evidence that such an approach is effective. In many organizations human resource training programs encourage action in one direction (e.g., collaboration and teamwork) while the compensation system encourages action in another (e.g., individual incentives or piecework pay). Also, in many cases career planning or succession planning programs don't fit with performance management or training programs. And many organizations use one set of criteria for reviewing performance in a job and a different set for selecting employees. These obstacles to effectiveness can be overcome by integrating human resource systems around common dimensions/competencies. Within integrated human resource systems, synergies are obtained because each system provides outputs that are useful to another while at the same time receiving inputs. Following are several possible input-output relationships:

> Evaluations from the performance management system provide feedback on the accuracy and focus of the selection system and the training and development system.

> Assessment results (e.g., from the selection, promotion, or succession planning systems) guide the individual toward appropriate training and development and realistic career planning.

> The performance management system provides individuals with information that can be matched with the dimensional requirements of various jobs to guide career planning.

> The performance management system provides the organization with information to use in succession planning.

> The performance management system acts as a reinforcer for applying skills learned in training and development efforts on the job.

Figure 14.1 on page 66 shows the relationships among six different human resource systems for a first-level supervisor. Each system is more effective because of the inputs it receives from and provides to the others.

Figure 14.2 on page 67 illustrates an integrated human resource system for a first-line manufacturing supervisor position organized around dimensions/competencies. The selection and performance management systems are built around dimensions/competencies important to the job of a first-line manufacturing supervisor.
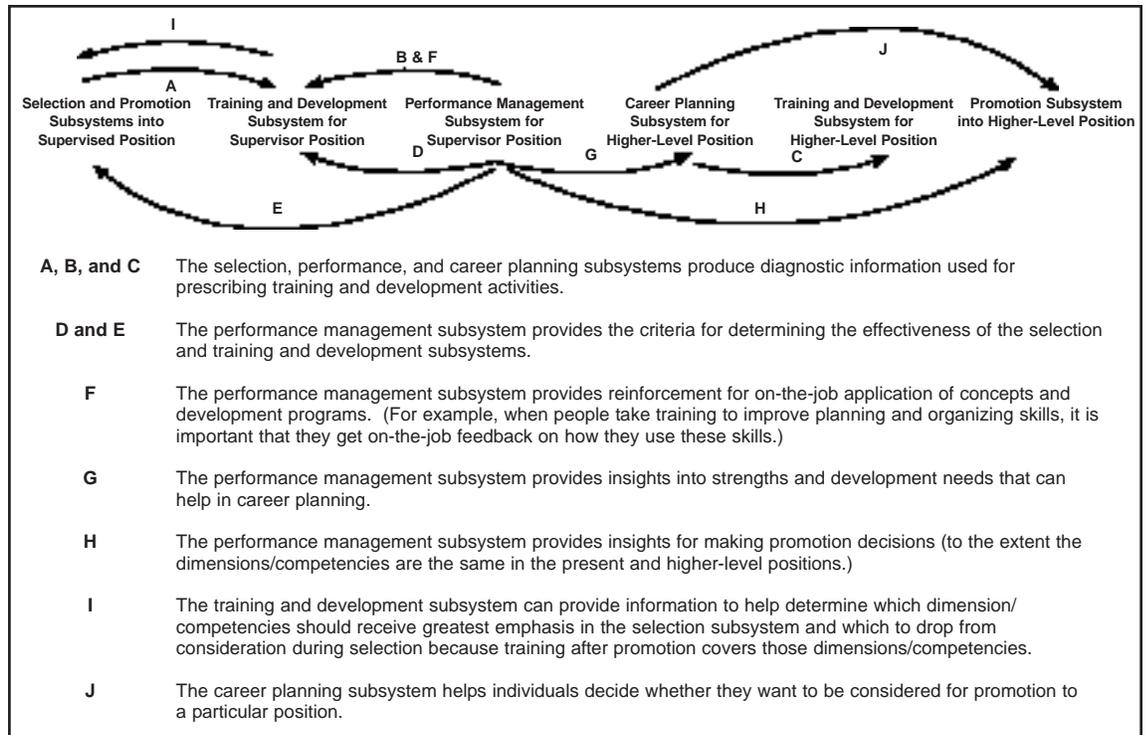
A, B, and C	The selection, performance, and career planning subsystems produce diagnostic information used for prescribing training and development activities.		
D and E	The performance management subsystem provides the criteria for determining the effectiveness of the selection and training and development subsystems.		
F	The performance management subsystem provides reinforcement for on-the-job application of concepts and development programs. (For example, when people take training to improve planning and organizing skills, it is important that they get on-the-job feedback on how they use these skills.)		
G	The performance management subsystem provides insights into strengths and development needs that can help in career planning.		
H	The performance management subsystem provides insights for making promotion decisions (to the extent the dimensions/competencies are the same in the present and higher-level positions.)		
I	The training and development subsystem can provide information to help determine which dimension/competencies should receive greatest emphasis in the selection subsystem and which to drop from consideration during selection because training after promotion covers those dimensions/competencies.		
J	The career planning subsystem helps individuals decide whether they want to be considered for promotion to a particular position.		

Figure 14.1. Synergistic relationships in an integrated dimension-/competency-based human resource system for the position of first-level supervisor.

The career planning and promotion systems are built around the dimensions/competencies identified as important to success at the next higher organizational level. The training and development system is built around the dimensions/competencies needed in the supervisor's present job and the dimensions/competencies required to prepare him or her for a higher level job.

Advantages of Integrated Dimension-/Competency-Based Human Resource Systems

Figure 14.1 shows how integrated systems make each individual system more effective. Among other advantages of integrated dimension-/competency-based human resource systems are:

1. Decreased communication, training, and administration time. Users learn only one set of dimensions/competencies and definitions for each job or job grouping. It takes less training time to install each new system or program because the major concepts, such as focusing on behavior and organizing behavior into dimensions/competencies, are used throughout.

2. Individual systems validate one another. Information from different sources can be compared. Data from one system can be used to validate the effectiveness of the others. For example, performance review ratings can easily be used to validate the effectiveness of a selection or training system.

3. Individual systems reinforce one another. The use of one system supports and reinforces the use of others. Using the definitions and rating scales successfully in one system reminds users of the importance of using them in other activities. For example, successfully using a performance management system organized around dimensions/competencies would reinforce using a selection system organized around dimensions/competencies.

4. The entire integrated system and each component system can be validated using a content-oriented validation strategy (i.e., the individual system can be related to defined job requirements). For most organizations this is the only way that programs can meet government guidelines.

5. With integrated systems the organization can more easily institute culture change because core dimensions/competencies support the desired culture change in all human resource systems. The dimensions/competencies clarify how the values that all organization members should support can be demonstrated on the job. The integrated human resource system continually presents and reinforces the requirements for change.

6. Integrated systems can support the rapidly changing skills that are needed for effective performance within an organization. Often, reengineering, restructuring, mergers, or a changing market necessitates rapid skill development for an entire organization or for units within an organization. By developing sets of core and specific dimensions/competencies that target the new skill requirements, organizations can use the integrated systems to develop individual competence by promoting, supporting, and rewarding skill development.

In summary, while dimension-/competency-based human resource systems provide organizations with the ability to evaluate and guide job performance and development, the maximum value of such systems can be obtained only by integrating them.

	Selection System into Supervisory Position	Performance Management System	Training and Development System	Career Planning System for 2nd Level	Promotion System for 2nd Level
Energy	x	x		x	x
Communication	x	x	x	x	x
Stress Tolerance	x	x		x	x
Inspiring Others	x	x	x	x	x
Initiative	x	x	x	x	x
Planning and Organizing	x	x	x	x	x
Analysis	x	x	x	x	x
Judgment	x	x	x	x	x
Formal Presentation			x	x	x
Delegation			x	x	x
Job Fit (1st-level supervisor)	x				
Job Fit (2nd-level supervisor)				x	x

Figure 14.2. Dimension-/Competency-based human resource system for selecting first-level supervisors and promoting them to second-level management.

CHAPTER 15—IMPLEMENTING DIMENSION-/COMPETENCY-BASED HUMAN RESOURCE SYSTEMS

An organization that wants to implement integrated dimension-/competency-based systems must plan carefully. Typical steps involved in an implementation are outlined as follows and illustrated in Figure 15.1.

1. Prioritize business needs.

Before undertaking any implementation, an organization's decision makers must identify and prioritize the business needs that the dimension-/competency-based human resource systems will address. They do this by examining the business needs in light of the organization's strategic focus (vision, values, and critical success factors). Prioritizing business needs ensures that the implementation is relevant and valuable, while providing information on:

> The jobs, roles, functions, levels, or types of positions to be addressed by the implementation.

> The types of dimensions/competencies that must be developed (core or specific).

> The expected results and the types of measures used to evaluate the implementation's effectiveness.

> The appropriate human resource systems to build around dimensions/competencies.

2. Identify dimensions/competencies.

For a successful implementation an organization must define appropriate sets of dimensions/competencies. To do so could involve the development of a single set of core dimensions/competencies or several sets of core dimensions/competencies (e.g., clerical, professional, middle manager, senior manager) and several sets of specific dimensions/competencies (usually targeted at important high-volume selection positions). All sets should include information on the relative importance of the dimensions/competencies to guide system design.
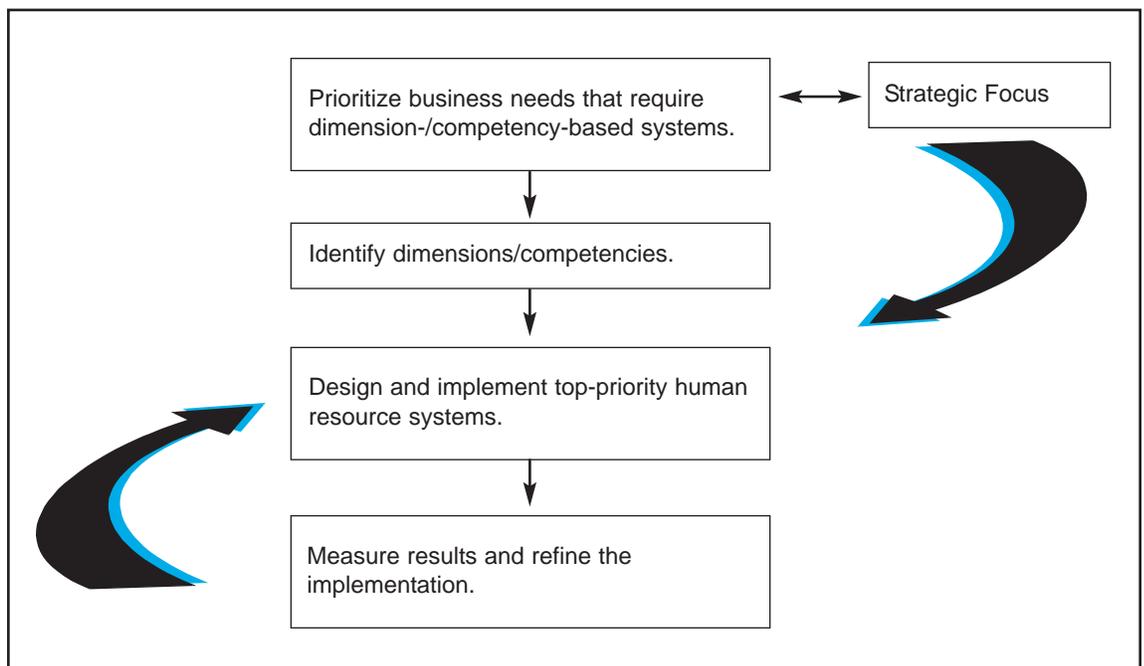

Figure 15.1. Typical implementation process for dimension-/competency-based human resource systems.

3. Design appropriate human resource systems.

Human resource systems that best meet priority business needs must be designed and implemented. Often the system that is most critical to meeting business needs is designed and implemented first.

Many HR system designs will involve an assessment process to determine individuals' proficiency in the dimensions/competencies. The assessment tools used will depend on the system. Typical examples are presented in Figure 15.2 on page 70.

4. Measure results and refine the implementation.

A well-designed system will contain mechanisms for measuring the implementation's success (e.g., is it being used appropriately?) and the outcomes obtained (e.g., return on investment). Ongoing adjustments to the system and implementation strategy can be made. As implementation of the first system stabilizes, other human resource systems can be implemented in the order that best meets business needs. For maximum efficiency and value, the new systems should be integrated with the old systems using dimensions/competencies as the basis for integration. (See Chapter 14 for a discussion of integrated human resource systems.)

Is It Worth the Effort?

Establishing integrated dimension-/competency-based human resource systems in an organization is hard work. The degree of difficulty involved varies widely among organizations and implementations. Obviously the number of jobs, roles, departments, and business units involved in the implementation, the degree to which human resource systems are currently integrated, and the initial state of the organization with relation to the four capabilities discussed above all play a role. An evaluation of these factors will undoubtedly lead to the question, "Is it worth the effort?" The parallel question to answer is, "Can we afford not to make the effort?"

Integrated dimension-/competency-based human resource systems have several unique attributes that make them powerful:

> Dimensions/Competencies enable individuals and organizations to accurately measure performance and use these measures to make career, promotion, succession, and selection decisions.

> Dimensions/Competencies allow individuals and organizations to effectively focus work behaviors on both achieving specific work outcomes and on attaining the organization's vision, values, and critical success factors.

> Only through the use of dimensions/ competencies can individuals and organizations consistently identify the most appropriate learning and development activities and tools so that organization and individual performance can be enhanced in an efficient manner.

> And finally, only by integrating separate human resource systems into a unified system based on core dimensions/ competencies and shared information can the maximum benefit of dimensions/ competencies be realized.

Although the implementation of integrated dimension-/competency-based human resource systems might appear daunting, given the power of such systems, the effort should prove well worthwhile—both for the organization and for those involved in the implementation.

Dimension-/Competency-Based System	Typical Assessment Tools
Selection and Promotion	Assessment centers Interviewing
Performance Management	Multirater questionnaires Manager's rating of job performance Peer/Manager on-the-job feedback
Placement Planning	Assessment centers Interviewing
Training and Development	Developmental assessment center Multirater questionnaires Self-evaluated assessment exercises
Compensation	Manager's ratings of job performance Peer/Manager on-the-job feedback
Career Planning	Developmental assessment center Multirater questionnaires Self-evaluated assessment exercises
Succession Planning	Developmental assessment center Multirater questionnaires Peer/Manager on-the-job feedback Manager's rating of job performance

Figure 15.2. Human resource systems and the assessment tools that are typically used to gather information on dimensions/competencies.

APPENDIX

IDENTIFYING DIMENSIONS/COMPETENCIES —MORE DETAIL

There are two basic approaches for identifying dimensions/competencies. The first approach relies on the jobs/roles as the source of information for constructing the dimension/competency—a bottom-up approach. The second methodology relies on individuals' interpretation of the organization's vision, mission, values, or strategic goals—a top-down approach.

For convenience, we will refer to these two methods as the "job-driven" approach and the "vision-driven" approach. Usually both methods are used to some extent in building sets of core or specific dimensions/competencies. Core dimensions/competencies, because they often are used to drive organizational change and align human resources with an organization's vision, generally are more vision driven than are specific dimensions/competencies. In fact, core dimensions/competencies can be entirely vision driven. Specific dimensions/competencies, because they describe the dimensions/competencies required for a given job or set of jobs/roles, must always be at least partly job driven and may be entirely job driven. The relationships between the two types of job analyses and the two types of dimensions/competencies are presented in Figure I.1.

Choosing an Approach

In many cases vision-driven and job-driven job analyses are used to build a list of dimensions/competencies. How much emphasis to place on each approach depends on how the dimensions/competencies are to be used. When it is necessary to support the organization's vision, values, or strategy through a human resource system (for example, in an organizationwide culture change effort), vison-driven job analysis should be used. Typically, the resulting vision-driven dimensions/competencies are integrated with job-driven dimensions/competencies to form a more comprehensive set of dimensions. If supporting or driving change linked to the organization's vision, values, or strategy is not a focus of the human resource implementation, then using an exclusively job-driven approach to identifying dimensions/competencies is appropriate.

	Vision-Driven Job Analysis	**Job-Driven Job Analysis**
Core dimensions/competencies	Results of a vision-driven job analysis are often included in sets of core dimensions/competencies and can comprise the entire set.	Results of a job-driven job analysis are often included in sets of core dimensions/competencies. The job-driven analysis covers a broad range of jobs/roles or several levels.
Specific dimensions/competencies	Results of a vision-driven job analysis can be incorporated into a set of specific dimensions/competencies.	Job-driven job analysis is the main approach used in identifying a set of specific dimensions/competencies.

Figure I.1. The relationship between two types of dimensions and two approaches to job analysis.

Identifying Vision-Driven Dimensions/Competencies

The processes for identifying vision-driven and job-driven dimensions/competencies are distinct. Identifying vision-driven dimensions is usually conducted by an external job analysis consultant collaborating with the client organization. The people involved from the organization will vary depending on the job analysis' focus. If the vision-driven dimensions/competencies are being developed for the entire organization or a major segment of the organization, senior executives will contribute the most to the identification of the vision-driven dimensions/competencies. If the focus is on a smaller segment (e.g., middle managers), fewer senior executives or high-level managers may be the primary contributors. Regardless of who is involved, identifying vision-driven dimensions/competencies typically involves the following steps:

1. **Background Review**—The job analysts are provided with complete information on the initiatives and directions the organization wants to support with dimensions/competencies. This can include information on the organization's vision, values, strategy, future direction, market characteristics, and current and future challenges. The job analysts review all relevant written information to acquire a solid understanding of where the organization stands, where it would like to go, and how it plans to get where it would like to be.

2. **Executive Interviews**—The job analysts conduct interviews with senior executives who are well acquainted with the organization's vision, values, critical success factors, and strengths. Based on knowledge gained from the background review, they ask each executive's view of:

   > The company's current status, strengths, and challenges.

   > The company's vision, values, and strategic direction.

   > What the vision, values, and strategic direction mean to interviewers.

   > What the senior executive sees as the major challenges inherent in implementing the strategy, achieving the vision, and instilling the organization's values in individuals.

   > What individuals within the organization will have to do to ensure that the organization's vision, values, and strategy are achieved.

   > How the organization's human resource systems align with the vision and values.

3. **Data Integration**—The consultants who conduct the interviews integrate the information gleaned from the senior executives. In the integration each job analyst uses the interview and background information to identify the organization's challenges and strengths along with the dimensions/competencies they believe are required for achieving the organization's strategy, vision, and values. In a group meeting, each job analyst presents a list of dimensions/competencies seen as key to the organization's success along with a rationale for why each is important.

After the presentations the job analysts discuss their data and arrive at a consensus set of core dimensions/competencies. Each vision-driven dimension/competency is defined with a paragraph; a statement of how a dimension links to the organization's vision, values, and/or strategy; and a listing of key actions. An example of a vision-driven dimension/competency is in Figure I.2 on page 73. Usually, representative examples are not included because of the many jobs/roles to which the dimensions/competencies are meant to apply.

4. **Executive Review—**The job analysts lead a meeting of the senior executives and present the results of their background review, interviews, and the integration process. At this point each executive has a chance for input into the dimensions/competencies to fine-tune the wording and to make sure that the dimensions/competencies will drive their values, strategy, and organizational strengths. They also ensure that the dimensions/competencies are worded clearly and will be an effective communication tool to the individuals who will be using them.

5. **Finalization of the Dimensions/Competencies—**Input from the executive session is incorporated into the dimensions/competencies by the job analysts, and a final set of vision-driven dimensions/competencies is produced. The process for identifying the dimensions/competencies is documented so that a permanent record is available for reference, if required.

Coaching—*Providing timely guidance and feedback to help others strengthen specific knowledge/skill areas needed to accomplish a task or solve a problem.*

Value Linkage:

Empowerment cannot exist without an adequate level of coaching. Associates cannot assume broader areas of responsibility without an appropriate level of coaching support to ensure personal success.

Teamwork also requires that associates coach each other to develop the appropriate level of knowledge and skill necessary to perform interdependent roles and meet internal customer expectations.

Key Actions:

> **Clarifies the current situation**—Clarifies expected behaviors, knowledge, and level of proficiency by seeking and giving information and checking for understanding.

> **Explains and demonstrates**—Provides instruction, positive models, and opportunities for observation in order to help others develop skills; encourages questions to ensure understanding.

> **Provides feedback and reinforcement**—Gives timely, appropriate feedback on performance; reinforces efforts and progress.

> **Uses Key Principles**—Establishes good interpersonal relationships by helping people feel valued, appreciated, and included in discussions (enhances self-esteem, empathizes, involves, discloses, supports).

Figure I.2. The dimension Coaching defined as a core dimension and linked to an organization's values of Empowerment and Teamwork.

Identifying Job-Driven Dimensions/Competencies

The other approach to developing dimensions/competencies is to collect information from those who know the specific jobs/roles the best—typically incumbents and their managers. Software tools such as DDI's Identifying Criteria for Success® can be extremely helpful in streamlining this type of job analysis. If conducted without software, the steps involved in identifying job-driven dimensions/competencies are:

1. **Background Review**—The job analysts review relevant information on the jobs/roles under examination, including job descriptions, previous job analyses, performance management forms, and other job-specific information.

2. **Incumbent Interviews**—In these interviews job analysts take extensive notes while collecting information on the incumbents' daily, weekly, and less frequent activities. When defining a core dimension/competency, incumbent interviews may not prove useful because the information provided can be too specific to a job/role. This level of specificity is generally not required in a core model, where adequate information can be gathered by conducting critical incident meetings.

3. **Critical Incident Meetings**—Group meetings with managers of incumbents are conducted to gather examples of outstanding performance and ineffective performances. These meetings involve managers of incumbents who are representative of all jobs/roles under examination. In critical incident meetings, job analysts collect behavioral examples of instances when individuals in the applicable positions demonstrated outstanding or very effective behavior.

Numerous examples are elicited and carefully recorded. Questions also are asked about instances in which incumbents demonstrated behaviors that were very ineffective. These behaviors also are documented. Additional questions are asked about behaviors required for success in general areas, such as teamwork, customer service, sales, coaching, performance management, problem solving, written communication, and oral communication.

4. **Job-/Role-Specific Visioning**—If appropriate, a group meeting with managers or others knowledgeable about pending changes in the jobs/roles is conducted. This meeting is structured to identify behaviors that will be required for future success in the jobs/roles because of pending changes in the jobs'/roles' technology, sociotechnical design, empowerment level, or some other job-specific aspects. If major shifts in the organization's culture are foreseen, part of the vision-driven job analysis process discussed previously should be employed.

5. **Data Integration**—After the critical incident meetings, the participating job analysts integrate the data. Working independently, the job analysts identify the dimensions/competencies that represent the data he or she collected. The job analysts meet to review their lists and integrate them into a tentative listing of dimensions/competencies. These dimensions/competencies are fully and clearly defined using a paragraph definition, key actions, and representative examples. (See Chapter 6 for more discussion of defining dimensions/competencies.)

6. **Dimension Selection Questionnaire—** The fully defined dimensions/competencies from the integration are put into a Dimension Selection Questionnaire sent

to all or a representative sample of the managers of the target job, role, or level so they can rate and rank their importance. This process verifies the importance of the dimensions/competencies and identifies the relative importance of each.

7. **Finalization of the Dimensions/Competencies**—The Dimension Selection Questionnaire results are analyzed, and a final set of prioritized job-driven dimensions/competencies is produced. The process for identifying the dimensions/competencies is documented so that a permanent record is available for reference.

Identifying Knowledge/Skill Dimensions/Competencies

For most jobs/roles it is enough to have one general knowledge/skill dimension. This dimension is identified using standard job-driven analysis techniques; generally, it is defined to include all important technical aspects of the job/role. It is up to the users of the dimensions/competencies (e.g., in selection, promotion, or performance management) to define the specific skills or knowledge required, evaluate them, and provide coaching.

Sometimes, however, it is desirable to have more detailed information on the knowledge/skills required of a job/role. This is often true for high-technology positions (e.g., software engineers) or multiskilled craft positions in manufacturing. An effective process for identifying knowledge/skill dimensions/competencies mirrors that used for identifying their job-driven behavioral cousins. Although separate, it is conducted at the same time as the job-driven process. Following a review of relevant background information, the job analysts conduct incumbent interviews and hold group critical incident meetings with successful job incumbents and their managers. The incumbents are questioned in a structured manner about on-the-job technical tasks, while their managers are questioned on the level and types of technical knowledge and skills that contributed to success or failure in the position. Visionary information, as it relates to changes in the technical skills or knowledge required in the job/role, is collected.

Job analysts integrate the information and compile it into a questionnaire for job content experts. By rating and ranking the technical skills, the job content experts identify which are most important. The technical dimensions/competencies also are ranked as a whole with the nontechnical skills to better understand their importance relative to the nontechnical skills.

Integrating Job- and Vision-Driven Dimensions/Competencies

As noted, often the dimensions/competencies required for a job, role, level, or organization will consist of a mix of job-driven and vision-driven dimensions/competencies. In these situations there is a need to integrate the two types. This is not a difficult task. Because the two approaches are conducted separately, the results are integrated only after both are completed.

When a dimension/competency is identified in value- and job-driven job analysis processes, the two must be merged. One form of integration involves modifying job-driven dimensions to reflect the organization's vision and values. For example, if empowerment is a value, the dimension Decision Making can be defined through its key actions to be highly participative. The resulting dimension/competency contains (1) a statement of rationale of why it supports the organization's vision, values, or critical success factors (see Figure I.2 on page 73 for an example); (2) key actions; and (3) representative examples of how the dimension/competency is demonstrated

on the job. This integration process is a merging of the top-down information from the vison-driven job analysis with the bottom-up information from the job-driven job analysis.

When a vision-driven dimension/competency is not identified in the job-driven job analysis, the vision-driven dimensions/competencies must be further defined so that they have greater relevance to the individuals who will be using it. This can be accomplished by adding representative examples to the vision-driven dimension. (Representative examples are not typically defined in a vision-driven job analysis process.) These representative examples can be gathered through a few additional interviews with managers or other people who understand how the vision-driven dimension/competency is to be demonstrated on the job.

EXECUTIVE SUMMARY BY CHAPTER

Chapter 1—Competencies: Many Names, Different Things (page 3)

This chapter clarifies and defines three common uses of the word *competencies*. Two uses describe requirements for success; the third describes a level of attainment of a knowledge, skill, or ability. The three types are:

1. **Organizational competencies—**These competencies are unique factors that make an organization competitive. According to Prahalad and Hamel, organizational competencies (a) provide potential access to a wide variety of markets; (b) make a significant contribution to the perceived customer benefits of the end product; and (c) are difficult for competitors to imitate. (*Harvard Business Review,* 1990, pp. 83–84)

   Examples of organizational competencies include miniaturization for Sony, engines and power trains for Honda, and microchip design and development for Intel. These competencies often are referred to as "core competencies" or "organizational strengths."

2. **Job/Role competencies—**These competencies, in the most general terms, are "things" that an individual must demonstrate to be effective in a job, role, function, task, or duty. They are identified through the study of jobs and roles. Performance can be measured against job/role competencies. These measurements then are used to make hiring, promotion, and succession decisions and to guide training and development efforts. The use of job/role competencies has been the key to success for many organizations undergoing rapid and dramatic changes.

Examples of job/role competencies include Individual Leadership, Decision Making, Initiative, and Risk Taking. Development Dimensions International calls this type of competency a *dimension.* Using this term avoids confusion with the other two types of competencies. In this monograph we use the term *dimension/competency* as the name for this type of competency.

3. **Personal competencies—**This type of competency describes an individual's level of attainment of a job/role competency. Someone who can demonstrate an adequate level of a dimension/competency is said to posses a personal competence or to be competent.

In summary, organizations support their *organizational competencies* by targeting the development of *personal competencies* in important *job/role dimensions/competencies.* Job/Role dimensions/competencies are the focus of this monograph.

Chapter 2—Dimensions/Competencies for What? (Page 7)

The scope of a set of job/role dimensions/competencies can vary widely. They can be developed for a specific role (e.g., leader of a meeting); a job or position (e.g., manufacturing team leader); a job level (first-line leader); several job levels (middle management); a broad band of jobs (professional technical jobs); or an entire organization.

Dimensions/Competencies are either "specific dimensions/competencies"—which relate to a specific role, job, or job level—or "core dimensions/competencies"—which relate to several job levels, a broad band of jobs, or the entire organization. Many organizations use both types in their human resource systems.

Specific dimensions/competencies generally are used for selection, promotion, training, job-specific performance appraisal, and

development systems because these applications focus on a given job or role. Core dimensions/competencies generally are used for career planning, organizational planning, compensation, performance appraisal, talent allocation to teams, and temporary assignments because, in all these uses, it is important to compare individuals across functions, jobs, and levels in these applications.

Core dimensions/competencies are becoming increasingly important as organizations become more flexible in using their workforces and as they strive to drive change throughout the organization using human resource systems as the vehicle.

Chapter 3—Two Views of Dimensions/Competencies (Page 11)

There are two major perspectives on how dimensions/competencies should be defined. These two views can be called the *behavioral approach* (used by DDI and others) and the *clinical approach.*

In the behavioral approach, dimensions/competencies are:

> *Descriptions of clusters or groupings of behaviors, motivations, and knowledge related to job success or failure under which new data on motivation, knowledge, and behaviors can be reliably classified.*

In the clinical approach, dimensions/competencies are:

> *A person's underlying characteristics that are related to effective or superior performance in a job or situation.*
> (Spencer & Spencer, 1993)

The differences are illustrated in the following dimension/competency definitions:

CLINICAL

Tenacity—The perseverance and ego strength needed to complete a task or obtain an objective.

BEHAVIORAL

Tenacity—Staying with a position or plan of action until the desired objective is obtained or is no longer reasonably attainable.

Figure 3.2. The same dimension as defined by two organizations using different orientations.

The clinical approach defines all dimensions/competencies as containing a motivational component. The behavioral approach differs in that it distinguishes between behavioral dimensions, motivation dimensions, and knowledge/skill dimensions. Separating motivation from behavior and knowledge/skill allows people to be assessed on both whether they can perform and whether they are motivated to perform. DDI believes that breaking out motivation is more useful and productive because it allows organizations and individuals to focus separately on developing behaviors and knowledge/skills while making changes to enhance motivation.

In addition, organizations often prefer the behavioral approach because behaviorally defined dimensions/competencies:

1. Are easier to understand and use because they are closer to on-the-job behavior.

2. Appear to users to be more developable than "underlying characteristics," which seem undevelopable. Few organizations would want to imply that their dimensions/competencies cannot be changed through training or other interventions.

3. Are more acceptable to government agencies involved in ensuring and monitoring fair employment practices because they are not defined in terms of psychological constructs.

Chapter 4—Identifying Dimensions/Competencies (Page 14)

Accurately identifying dimensions/competencies rests on getting the appropriate job/role information from the appropriate sources. To the degree to which the organization desires to facilitate change based on its vision, values, mission, or critical success factors, the job/role analysis will focus on top management and the synthesis of relevant information into appropriate dimensions/competencies. These dimensions/competencies then can be used to drive organizational change through human resource systems that are built around them (e.g., performance management, training and development, selection).

To the degree to which the organization desires to focus on change, development, or improvement in a specific area (e.g., first-line leaders), the job/role analysis will focus on incumbents and their managers and synthesize information on current and future job activities and responsibilities into a set of appropriate dimensions/competencies. These dimensions/competencies then can be used to select and promote individuals who effectively demonstrate these dimensions/competencies and to develop individuals so that they can be more effective on the job.

This chapter includes five typical job/role analysis scenarios; more information on job/role analysis is provided in the Appendix.

Chapter 5—Job/Role Analysis Issues (Page 17)

Two very important issues need to be considered when defining dimensions/competencies through job/role analyses: (1) which perspective to use—performers or performance—and (2) the range of performance to be sampled.

Performers or Performance

Job/Role analysis can be approached from two perspectives: *performer* or *job performance.* By focusing on the individual, the performer approach identifies what a person *brings* to a job to be successful (or outstanding or superior) or unsuccessful. By focusing on the job or role, the performance approach identifies what people *must do* to be successful (or outstanding or superior) or unsuccessful in a job.

To use a high-performing job incumbent's personal characteristics as a model of effectiveness (the performer approach) is to focus on possibly idiosyncratic characteristics. In any job top performers tend to leverage their strengths to maximize their effectiveness; essentially, they mold the job to fit themselves. One cannot assume that everything a good performer does on the job is good or that a top performer possesses all the characteristics required to complete the job effectively. By examining only top performers, the full range of approaches to achieving success is never determined. This can lead to defining dimensions/competencies in a way that might limit the diversity of individuals seen as capable of success in a given job or role.

The job performance focus (the approach taken by DDI) provides a more accurate picture of what is required for success by addressing the common job elements that a person must do well to succeed. The way individuals approach the job might vary, but there is always a clear understanding of how job success is obtained. Personal characteristics

are not as important as whether individuals are able to use their talents to do what the job requires. Identifying the "things that must be done well to do the job well" provides the best material for defining dimensions/competencies.

Range of Performance to Be Sampled

Some approaches to job analysis focus only on what leads to superior or outstanding performance. Other approaches (including DDI's) focus on the whole range of performance, from outstanding to ineffective.

Identifying what leads to ineffective performance is important. Researchers have long noted that the reasons for job failure are not the mirror image of the reasons for job success. For example, police officers can fail to be effective in describing a crime scene because of poor writing skills, but outstanding writing ability has no impact on superior job performance. For selection, promotion, and other uses, identifying people who will fail is just as important as identifying those who will succeed. Looking at both outstanding and ineffective performance results in a full range of dimensions/competencies important to job performance. When only effective and average performance are examined, valuable data is lost.

Chapter 6—Defining Dimensions/Competencies (Page 20)

Dimensions/Competencies are used in human resource systems to make important decisions that affect the organization's ability to succeed and the individual's ability to contribute to that success. Having clearly defined dimensions/competencies that relatively untrained people can understand and reliably use is key to the success of dimension-/competency-based human resource systems. Dimensions/Competencies that are not clearly defined can lead to serious errors in making selection and promotion decisions, diagnosing training and development needs, designing training and development programs, making compensation decisions, and giving feedback on job performance.

Problems Related to Clarity

In defining dimensions/competencies, organizations make three common errors related to clarity:

1. Dimensions/Competencies overlap and are not independent.

2. Dimensions/Competencies are defined too broadly.

3. Dimensions/Competencies are not clearly defined.

Ways to Define Dimensions/Competencies

There are three common ways to define dimensions/competencies. The first, a brief, easy-to-use paragraph definition, has value for discussing the dimension/competency in general terms. However, it does not provide enough information to engender accurate understanding of the details of a dimension/competency or permit its effective use in a human resource application.

The second approach is the use of a behaviorally anchored rating scale (BARS). A BARS provides greater clarity by describing various degrees of competence relative to a dimension/competency. A definition based on a BARS, however, confuses rating the dimension/competency with understanding its meaning and can often lead to confusion in the use of dimensions/competencies in decision making.

The third approach—a three-part definition consisting of a paragraph definition, key actions, and representative examples—is the most comprehensive and clearest. First, the definition includes the easy-to-use paragraph definition. Second are the key components (key actions) that, if performed effectively, will lead to success. The key actions play an

important role in providing effective feedback or in developing training solutions. Third are the representative examples, specific information on how the dimension/competency is relevant to a given job/role. This information helps identify and develop resources to support competence development while enabling an individual to understand why the dimension/competency is important. This understanding has clear implications for buy-in and the effective use of the dimension/competency.

Chapter 7—Evaluating Dimensions/Competencies (Page 27)

The success of an implementation of a dimension-/competency-based human resource system depends to a large degree on the rating system used to evaluate the dimensions/competencies. The goals of evaluation are reliability—several evaluators arrive at the same ratings—and accuracy—the rating clearly describes the observed behavior, knowledge/skill, or motivation.

There are two major types of dimension/competency rating scales important to human resource applications. Both the numerical-type (or Likert) scale and the behaviorally anchored rating scale (or BARS) can be used to compare an individual to a level of perform-ance required in a specific job, role, or level. However, when comparing an individual to the requirements of numerous jobs, roles, or levels, a BARS is preferred. This chapter features examples of both types of rating scales.

A Likert scale is best used when comparing an individual's performance to the requirements of a specific job, role, or level. A numeric scale, with a middle point of "Acceptable," can be used by people who make selection, promotion, or performance appraisal decisions (usually managers who are familiar with the job requirements). Although a BARS can be used for such decisions, it provides no greater accuracy, is more difficult to train, and can cause confusion if not well constructed. A BARS is best used when comparisons across jobs, roles, or levels must be made, such as in succession and career planning and placement into ad hoc positions or virtual teams. Because numerical scales are anchored to a specific job, role, or level, they are not effective in these situations.

A BARS must be carefully constructed to avoid several common problems. Many organizations find themselves using BARS that:

> Are too specific or too generic, resulting in confusion for the evaluators.

> Do not form a scale. There is no clear progression from the bottom of the scale to the top, resulting in difficulties in choosing an appropriate rating.

> Are biased by level, making comparisons across levels difficult because individuals at lower levels can never rate highly on the scale because of the nature of their job responsibilities.

> Have no negative anchors, making clear identification of development needs impossible.

An approach to BARS that overcomes these difficulties and makes BARS an effective rating scale to use in appropriate applications is described and illustrated in Chapter 7.

Chapter 8—Training People to Evaluate Dimensions/Competencies (Page 35)

In addition to clear definitions and appropriate evaluation scales (Chapters 6 and 7), accurately and reliably evaluating dimensions/competencies requires trained evaluators. Everyone who uses dimensions/competencies to evaluate performance should be able to:

> Accurately and reliably classify observed behavior, motivation, and knowledge/skills into a set of dimensions/competencies.

> Evaluate the quality of individual examples of behavior, motivation, or knowledge/skills.

> Determine a dimension/competency rating based on samples of behavior, motivation, or knowledge/skills obtained in each dimension/competency.

The level of skill required for human resource applications varies, but an evaluator must be competent in each of the above areas. Training in the evaluation of dimensions/competencies should stress:

1. Practice in identifying behavior, motivation, and knowledge/skills.

2. Focus on one human resource application at a time. General training in rating dimensions/competencies will not be effective.

3. Hands-on use of the rating scale.

4. Ample ongoing feedback and coaching on effectiveness, including on-the-job feedback.

Selection system interviewers and assessment center assessors usually receive training in evaluating dimensions/competencies. But managers who complete performance management or multiperspective questionnaires often are not trained. These latter two applications should not be overlooked when it comes to training.

Chapter 9—Dimensions/Competencies in Selection and Promotion Systems (Page 39)

Dimensions/Competencies are very effective as a means for structuring selection or promotion systems because they clearly identify what behavior, motivation, and knowledge/skill areas need to be assessed to determine if a candidate is qualified for a job or position. They help to ensure that high-quality, fair decisions are made. Selection systems not based on dimensions/competencies run the risk of including information irrelevant to job success or of missing relevant information that would help in making a good decision. Also, the use of non-job-related information in making selection decisions can result in an unfair impact on protected gender, race, or age groups and lead to government challenges.

The first step in implementing a selection or promotion system is to conduct a legally credible job/role analysis to identify the dimensions/competencies important to success in the positions. These dimensions/competencies serve to guide the system's structure and content.

The system should be structured (1) for efficiency, assessing important dimensions/competencies more comprehensively than less important ones and (2) to fit the level of resources available within the organization. The system's content is determined in part by the dimensions/competencies identified in the job/role analysis. Numerous assessment tools are available, each with its own strengths for assessing certain dimensions/competencies and each with its pros and cons in terms of expense and quality of information collected.

This chapter reviews types of assessment tools, illustrates several sample assessment systems, and discusses the use of core or specific dimensions/competencies in selection or promotion systems.

Chapter 10—Dimensions/Competencies in Performance Management/Evaluation (Page 48)

An effective performance management system should measure a person's contributions to the organization's success while enhancing the individual's skills and commitment to the organization. Performance management approaches can be evaluated against their ability to achieve these two outcomes. Unfortunately, not all approaches to performance management receive high marks.

Chapter 10 reviews five types of performance management/evaluation systems and discusses the use of dimensions/competencies within each.

Chapter 11—Dimensions/Competencies in Compensation (Page 52)

The linking of dimensions/competencies to pay is one of the most widely discussed topics in human resource circles today. With the breakdown of traditional management structures and their corresponding compensation factors, organizations are scrambling to find fair and appropriate pay systems that reward individuals based on their value to the organization, not the magnitude of the organizational resources they control or affect.

The use of dimensions/competencies as a primary basis for compensation decisions is being widely considered. Yet, for all the discussion, there is little clarity on effective methods for making the link between pay and dimensions/competencies. What is apparent is that, for now, there is no one best way. It seems increasingly likely that there probably will never be one best way for all situations. However, it is clear that dimensions/competencies can play a role in determining compensation.

Chapter 11 discusses several of the ways in which dimensions/competencies have been linked to pay.

Chapter 12—Dimensions/Competencies in Career, Succession, and Placement Planning (Page 54)

In modern organizations, staffing levels and structures require the increasingly flexible use of the workforce. While opportunities for promotion have decreased with flatter organizations, opportunities for lateral movement and for the broadening of individual responsibilities and skills have increased. At the same time, fewer promotion opportunities have made each remaining promotion decision more important to organizational success.

Increasingly, organizations need effective succession, career, and placement planning systems for supporting the movement of people within the organization. (Placement planning is a practice driven by an organization's increasing need to create temporary teams or task forces or to respond to special opportunities. Appropriate individuals must be selected quickly into these ad hoc structures.)

Chapter 12 discusses a four-step model that addresses these planning systems and the role that dimensions/competencies play in them.
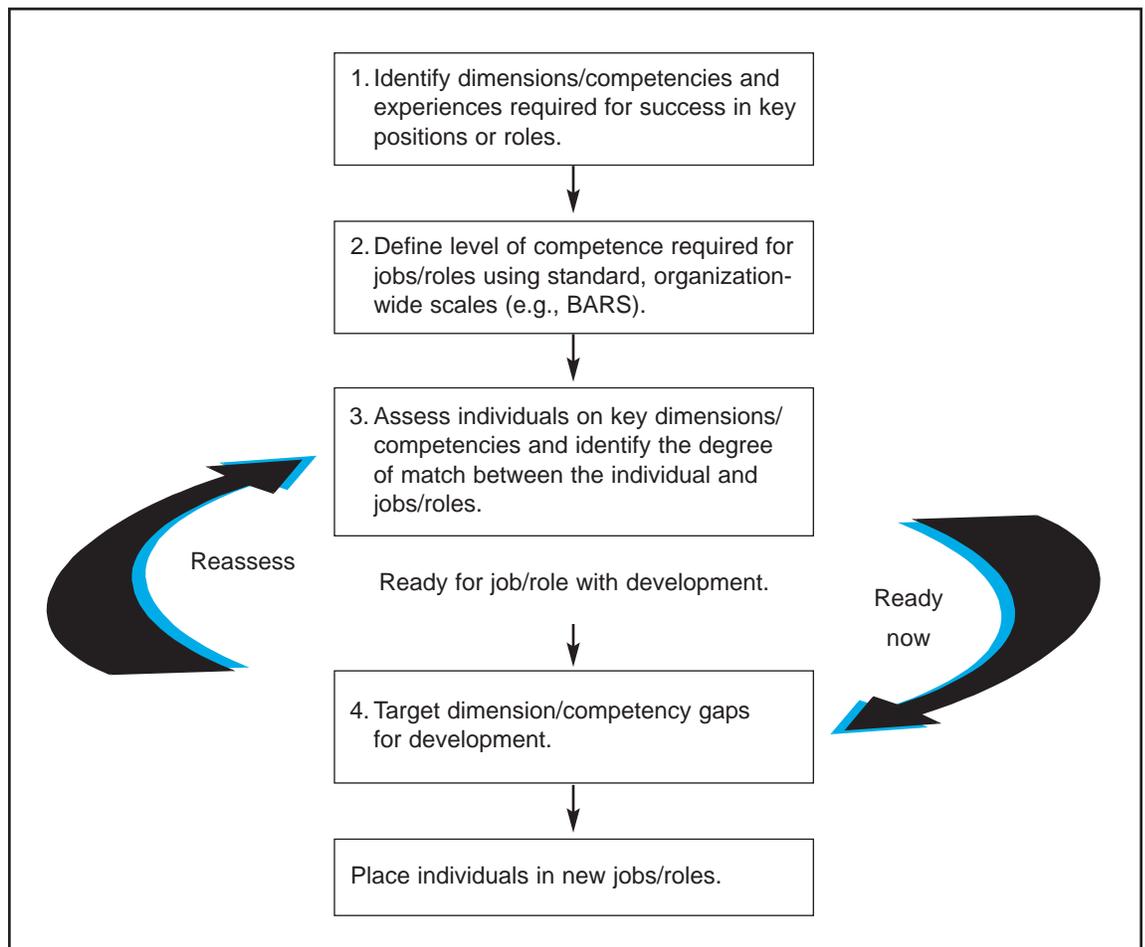
Figure 12.1. The basic steps involved in career, succession, and placement planning.

Chapter 13—Dimensions/Competencies in Training and Development (Page 58)

Dimensions/Competencies can be used to enhance the effectiveness and reduce the cost of training and development efforts. Dimensions/Competencies can be used in:

> Evaluating and developing curricula.

> Identifying individual training needs.

> Identifying group training needs.

> Evaluating training effectiveness.

> Planning self-development.

Evaluating individuals on dimensions/ competencies provides the input to these various applications, as illustrated below and discussed in Chapter 13.
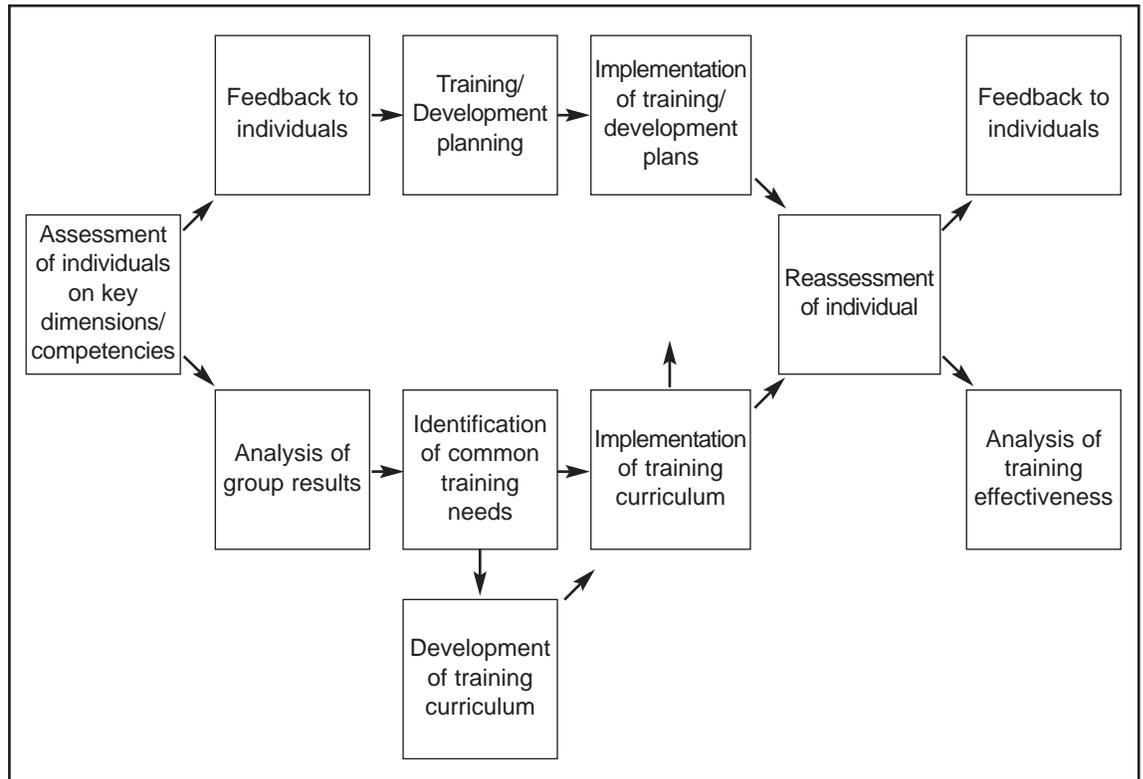
Figure 13.7. How dimensions/competencies are used in training and development.

Chapter 14—Integrated Human Resource Systems Based on Dimensions/ Competencies (Page 65)

The biggest organizational impact from dimension-/competency-based human resource systems comes from integrating multiple systems around core dimensions/ competencies.

Inefficiencies often exist in human resource systems. For example, training programs can encourage action in one direction while the compensation system encourages action in another. Or an organization might use one set of criteria for reviewing performance in a job and a different set for selecting employees. These inefficiencies can be overcome by integrating human resource systems around common dimensions/competencies. Within integrated human resource systems, synergies are obtained because each system provides information that is useful to another system while at the same time receiving information from other systems. For example, the selection system provides an initial dimension/ competency profile on an individual for use in training and development and performance management.

Advantages of integrated human resource systems include:

1. Decreased communication, training, and administration time because users learn only one set of dimensions/competencies and definitions for each position.

2. Data from one component can be used to validate the effectiveness of the other components. For example, performance review ratings can be used to validate the effectiveness of a selection or training subsystem.

3. The use of one component of the system supports and reinforces the use of other components. Using the definitions and rating scales successfully in one component reminds users of the importance of using them in other activities.

4. With integrated systems, organizations can more easily institute culture change because core dimensions/competencies support the desired culture change in all human resource systems.

5. Integrated systems can support the rapidly changing skills that are needed for effective performance within an organization because of reengineering, restructuring, mergers, or a changing market.

Chapter 15—Implementing Dimension-/Competency-Based Human Resource Systems (Page 68)

Thoughtful planning and implementation are required to ensure that dimension-/competency-based human resource systems meet important business needs. An organization's strategic focus will provide guidance and help prioritize the implementation sequence. A typical implementation involves the four steps illustrated below.
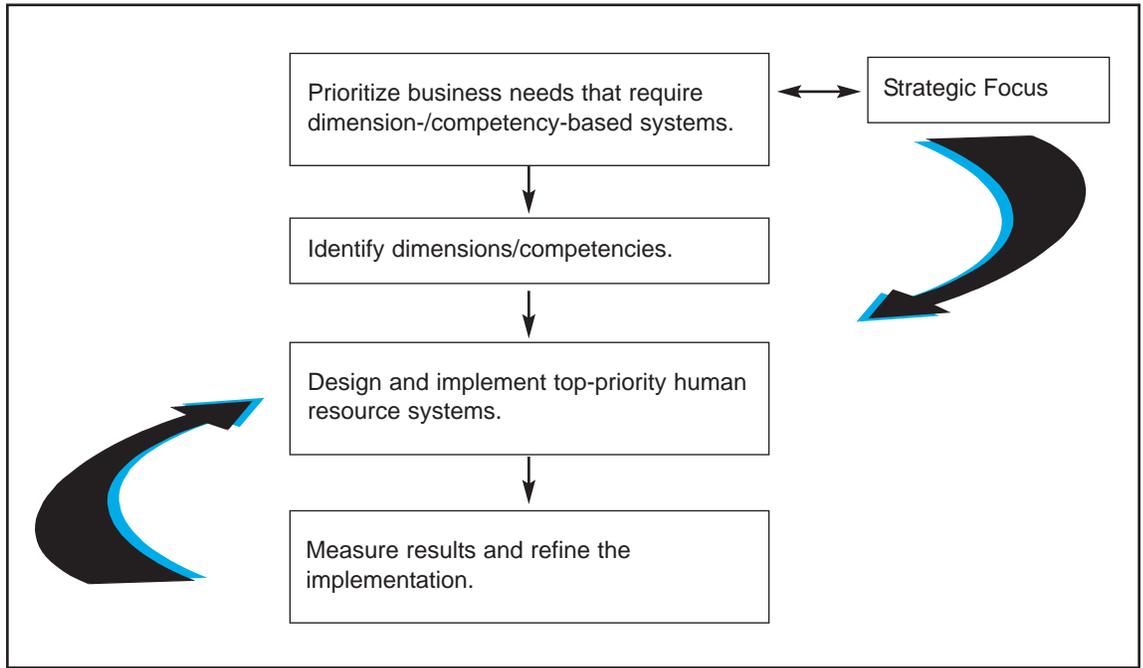

Figure 15.1. Typical implementation process for dimension-/competency-based human resource systems.

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We excel in two major areas. Designing and implementing selection systems that enable you to hire better people faster. And identifying and developing exceptional leadership talent crucial to creating a workforce that drives sustained success.

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