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Competency model development: A study of conceptual framework

Salmiaty Taty[1], Ahmad Musseng[2]
Sekolah Tinggi Ilmu Ekonomi (STIE) YPUP Makassar, Indonesia(1&2)

Abstract: *Adjustment between employer with optimum occupation is not easy when jobs are likely to be complicated. This research shows that the more complex the work, the more difficult to identify the most important tasks and competencies associated with successful. Therefore, competency system is necessarily applied to determines the success or failure of the management functions implementation which strictly depend on the quality of human resources.*
Key Words: *Competency, Model Development, A Study Of Conceptual Framework.*

I. INTRODUCTION

Human resource management (HRM) is one of the areas in general management that includes aspects of planning, organizing, implementation and control. This process contains in the function/areas of production, marketing, finance, and personnel. The role of human resources (HR) is considered increasingly important to achieve corporate goals, then various experiences and research results in the field of human resources systematically collected in what is called human resource management. The term "management" has the meaning as collection of knowledge about how to manage the human resources.

In an effort to achieve company goals, problems faced by the management not only in raw materials, working tools, machines, capital or working environment, but also about the employees (human resources) as the “man behind the gun”. But one thing that must be underline that human resource alone is a factor of production, as well as other production factors as the input in circulate production process to produce output. New employee who does not has certain skills and expertise should be trained to becoming skilled and profesional employee. When he further trained and given the experiences as well as motivation, the more valuable he/she becomes. Thus the role of strategic development for improving the quality of human resources through a system of competence within the company is quite significant and continues to grow in line with the demands of globalization. Qualified human resources will determine the future of the business.

II. RESEARCH PROBLEM

Human resources management as a system has internal and external scope which internal scope covers everything that related to the performance of the human resources functions, while external factors relates to the ability of management control, which could be considered as threats and challenges to be overcome in order of achieving company’s goals. Human resources does not like any other disposal resources, because human being gives reaction to their environment sensitively and does not always respon as expected. So as to assess productivity and output quality of human resources can be done easily through the planning technique with appropriate supervision.

Heaps of environmental pressures today demand more wisdom from the management. If an organization willing to maintain its effectiveness, they should formulate a policy to manage their human resources and combine with the long-term vision focus on the company’s achievement, community needs dn interpersonal welfare. In short, organization must connect the discretion of human resource management with their strategic policy. There are two types of challenges that exist in the human resources management, namely the challenge of internal and external environment.

1. Eksternal challenges; Challenges can be grouped into four as follow: (a) technology sector, (b) economic sectors, (c) socio-cultural sector, (d) political sector, and (e) international sector. These five sectors in this technological era means that the organization and its employees are faced a variety of technological change in the various things that need more attention such as: (a) rapid development, (b) high risk industry, (c) the use of technology in controlling the company from the distance. It can be concluded that external environment often faced by human resource management such are: (a) changes in technology, (b) government regulations, (c) social and cultural factors, (d) labor market, (e) political factors, (f) economic conditions, (g) geographic condition, (h) demographic factors, (i) partnership, and (j) competitors for sure.
2. Internal challenges; Internal challenges arise because of the pursuit of human resource management consider with financial, sales, information service that are more open to organization's culture. The managers/leaders and professionals human resoursec must be able to tackle the internal challenge in order to

maintain the balance of fulfillment. In addition, the company also should helps to avoid conflicts with the human resources management or other conflicts. To achieve organizational goals that have been set, the system competencies required and play a significant role (rather than a job), where competency requires much sharper pictures about the strengths and weaknesses of this depth understanding of competence and build integrated human resource management

In general, there are 18 generic competencies i.e: Achievement orientation; Analytical thinking; Conceptual thinking; Customer service orientation; Developing others; Directedness; Flexibility; Impact and influence; Information seeking; Initiative; Integrity; Interpersonal understanding; Organizational awareness; Organizational commitment; Relationship building; Self-confidence; Team leadership; Teamwork and cooperation;

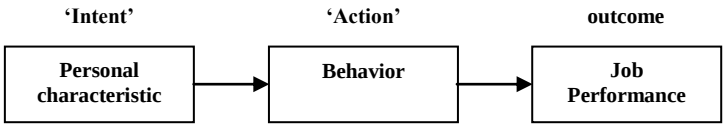
To identify the competencies which required to achieve excellent performance of the company, first of all, understand the organization's purpose, vision, and what are the strategic steps to be taken in oder to acheive organization's goals. Then, identify the key jobs in the organization that crutial and significant for organizational performance. After that, specify the competencies that are required positions. How to decide? It can be done in 3 ways. First, by doing a classic study of competence, such as McClelland has been done. Start by defining the criteria for effective performance in each job, then select a sample of two groups of workers with the excellent achievement and above the average. Second, compare and analyze any competences by the top perfomers which the other group does not have and describe the average level of each of these competencies. The third step is the validation on the identified competencies then apply it.

Another simpler way is to do a job competency assessment by an expert panel. First, group of "experts" in an organization (of which consists of directors, managers, HR specialists and other strategic positions holders) identifies the accountabilities key of organization: work, responsibility, important products and services. Then they determine the size of success of each of those key accountabilities, which can be used to identify people who do exceptionally well in their work. The "experts" then determine what competencies are needed to be able to do the above, on two levels, namely:

- The level of competence needed to be able to do relatively
- The level of competence needed to be able to perform well

The level of competence above can also be identified by some other method such as Competency Requirement Questionnare (CRQ) and discussion on structured questions. Competency model is a series of essential competencies for superior performance from a job or group of jobs. Competencies can be motives, traits, self-concepts, values, skills, cognitive or behavioral characteristics of any individual that can be measured and shown to differentiate significantly between the best and average employees..

Figure 1. Competence flow model



a. Reason
b. Charachteristic
c. Self -concept
d. Knowledge.

2.1 COMPETENCY ASSESSMENT

Following are several techniques to measure competency:

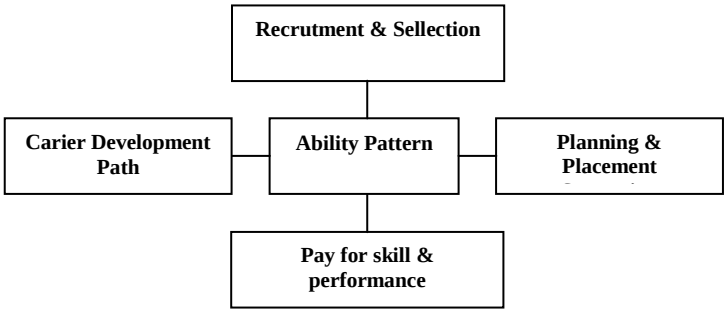
1. Behavior Event Interview (BEI); Principally known as competency based interview, which the aim is to get detail data related to the candidate's experiences on:
   a. What has been done by the candidate in particular situation, not what he/she probably does
   b. In certain condition, what is he/she thinking of or feels?
2. Test; Various tests are able to use to measure competency such as work-sample test, and personality test. Few tested example and measured competency as follow:
   a. Picture Story Exercise (PSE) to assess achievement, impact and influence.
   b. Weschler Adult Intelligent Survey to assess conceptual thinking and analytical thinking
   c. The Watson-Glaser Critical Thinking Appraisal to assess conceptual and analytical thinking
3. Assessment Center; Candidates gather in one place for several days to do some activities and get assess from assessors. Activities could be in a form of in-basket exercise, "stress" exercise and interview, presentation regarding to vision, mission and strategy or leaderless group exercise.

4. Curriculum vitae; Some competencies are predicted according to working experiences such as achievement motive from the academics achievement, team leadership from any organizational activities that he/she led or relationship building from its social activities.
5. Rating; Rating can be done by colleagues, sub-ordinates, customers or HRM specialist, also known as "360 aasessment degrees". Another rating method as well such as: competency aassessment questionnaries, customer survey, managerial style, and organizational climate.

2.2 MODEL OF COMPETENCE AND INTEGRATED APPROACH

This sub-section discuss deeper into the construction strategy of an integrated HRM and the discussion is restricted to the brief general description. Figure 3 shows the elements of an integrated human resource management around the competency model

Figure 2. Integrated HRM around Core Competencies



2.2.1 Recruitment and Selection; Recruitment competency-based system emphasizes the identification of several core competencies to meet the following criteria:

a. Competency which applicant has developed and demonstrated in their previous job, for instance inisiatif
b. Competency which allow to predict long-term successful of applicant and for instance high motivation for achievement
c. Competency which able to assess using sort behaviorial event interview method such as collaborative team leadership.

2.2.2 **Planning and Placement Succession;** Placement and planning succession based on competency system focuses on the efforts to identify the best candidate for the added value and important for the company

2.2.3 **Career Development;** Employees who are considered less in a particular competency can be directed to specific development designed training to increase their performance for the task ahead. Also define competencies that everyone can pursue along the career path.

2.2.4 **Pay for competence and performance;** Performance management system based on competency double-up standard for traditional performance results which are set required work behavior to achieve specific tasks and meet the work responsibilities towards competency

2.2.5 **Competency for the future;** Of the things that can be said about the required competencies to face new challenges and new type of organization in which we will deal in the coming days, we have gain understanding about the quality of people we are looking for the new organizations.

2.3 STANDARD OF COMPETENCY

Few definition of standard competency from various references as follow:

- Competency standard are simply worded about the performance in workplace that describe in output terms: what the employee is expected to do. How well the employee is expected to perform. How to tell whwn the employee's performance is at the expected level (adopted from ANTA Australia).
- Competency standard define "competency" as. "The necessary knowledge and skill's to perform a particular work role to the standard required within industry" (adopted from the Northern Territory Public Sektor of Australia).
- The concept of competency focuses on what is expected of an employee in the workplace (outcomes) rather than on the learning process. It takes into account all aspect of work performance, recognizing that task skill form only one component of work performance. It also includes the ability to transfer and apply skill and knowledge to new situations.

2.3.1 Why does standard of competency important?

Standard of competency is important to develop HRM as it needed. For example:

a. For education and traiing institutions;
1). Gives information for curriculum and development program
2). As references in the making of training, assessment and certification.
b. For business industry and the use of labor

1). To helps in recruitment process
2). To helps in working assessment
3). To breakdown career path
4). To develop specific training program in the business industry
c. For examination and certification organizer industry
1). As a reference to formulate certification program packages based on the qualification and its level
2). As a reference to held assessment and certification training

2.3.2 Why does using model of competency

Adjustment between employe with optimal job is not easy when jobs are likely to be complex. Research shows that the more complex the job, the more difficult to identify the most important tasks and competencies associated with successful. Competency makes the difference between minimum and prominent performances tend to be no perspective thus resulting in competency more difficult to identify than the competence of the manual worker.

Two jobs may have functional similarities, but there may be some overlap in competency profile which required for effective performance. Examples of cases where a career path based on competency becomes beneficial when the structure of the work can be changed any time, either its tasks or objectives

2.3.3 Competency-based career path

The career path involves making a series of suitability of people with the jobs, based on the work system in organization, which allows employee to grow towards levels of greater responsibility. So as to provide organizational talent that is required to achieve its goals, the best approach is to combine a career path in terms of assignment aspect and the required organizational behavior for good performance.

2.3.4 Competency-based succession planning

Competency-based succession planning encourages an organization to determine the current strategic competencies needed to achieve success for the future. Specific development plan is closely related to the demands of competencies that allow the individual's ability to meet the strategic business needs for the organization

2.4 ENROLLMENT AND SELECTION COMPETENCY-BASED

2.4.1 Design principle; To be effective, the selection system must have certain characteristics. First, the system should be able to get to know above average applicant in the pool to get that job and have desired company's performance to achieve corporate objectives. Second, the targeted goals can be achieved regardless of gender, certain tribes and other discriminatory terms. Third, the implementation of the selection system must necessarily cost-effective. Thus, the time and costs incurred to design and administration thingg in accordance with the quality of the newly hired and employed.

This objective can be achieved with the design and implementation of selection system based on competence. By re-examine the necessary competencies of the work performance, competency-based system ensures that the characteristics to find during the selection process allows new employee successfully in their work.

2.4.2 Specification of competence;

a. Performance criteria; Before mandating a job, the first step to be taken is to determine the quality of applicants. The method uses initially do not directing to the scope of the work, but more likely consider the job has done successfully. With a clear picture of performance aspects required such as organization values, the candidate can be selected not only able to fill the jobs, but also shows the high level of performance that will help the company to achieve its objectives. Moreover, the company will have a tenacious worker not only possible to reach the organization goals, but also justifies working environment that leads to gain greater job satisfaction for all workers.

b. Selection of Competencies for Outstanding Performance; Find the best in analysis performance through behavioral appears in interview. This technique involves interviewing above average applicants and consider as the best modern techniques to recognize the competence associated with above-average performance.

c. General competernce selection; By applying this interview technique on behavioral which has applied about at last 20 years among organizations around the world, several types of competence often arise in a different job. The emerged general competences provide improvement in the line of business, technical, professional, sales and managerial roles. Experts emphasize knowledge to see general competences that may be important in the work and provides a profile level that required for acceptable performance. Profiles provide examples of competence in the level of competence to carry out the selection process. Therefore, to ensure the objectiveness and accuracy in the selection pattern of competence, interview with potential workers being prefer in the method.

d. Simplify the selection method of competence; Some competence takes longer to posses and some competences began to develop at the beginning stage of human life and usually the change occurs slowly in

adolescence. Besides, competency-based skills such as computer programming or financial management can be developed quickly during a person's working life.

e. Convincing in the Competency Selection; If the selection process conducted by internal company, it is not only an example to be accurate, but the company staff must be trustworthy and accurate. The best way to assure credibility is quoting transcript which provides a vivid example of competence in the execution of work. If the sample result was not available for interviews, the experts will be more careful in hiring, not only for those who have detailed knowledge, but also has credibility within organization

III. CONCLUSION

In this era of globalization, the issues that mostly developed is the issue of global competition. Means that freedom to strive as the main which driven lead to free competition with no constrain regionally or even state. This kind of freedom has become the world's demands and needs of the society. Thus, in this era of free competition decreases government role in the economy, especially protection either on privately owned enterprises and state-owned enterprises. The memorandum of understanding (MoU) has been agreed by the leaders of the developed and developing countries, including Indonesia thus the main reason in this competence system is to obtain improvements in the quality of human resources, especially because of the strategic role of HRM as executors on behalf corporate functions such as planning, organizing, staff management, leadership, control, and supervision as well as operational activities such as marketing, production, trade, industry, finance, and administration. The success or failure in the implementation of these functions depend on the extent of competence and qualities of its human resources and the strategic role of competency development model and improvement of human resources continue to grow in line with the demands of globalization. Qualified human resources will determine the reciprocation of the company's business in the future.

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