



Competency Powered HR Systems



Strategic Advantage Through Competency-  
Based Management

## HRSG Products & Services

- Align human capital with the organization's strategic goals
- Leaders in Competency-Based Talent Management
  - Selection
  - Assessment
  - Learning
  - Performance Management
  - Career Development & Succession Management
  - Strategic HR Planning



## Agenda

Strategic  
Advantage

Key  
Concepts

Competencies  
in HR

Cases

Enablers

Q & A

## What CEOs are saying

“Worldwide, CEOs almost equally regard top management succession and issues relating to employee recruitment as their greatest concerns, with shortage of key skills as the first priority.”

*The CEO Challenge*

“...The biggest HR headache of the future ...will be a scramble for talent.”

*GE Money Asia*

“...In a knowledge business, people are the only profit lever.”

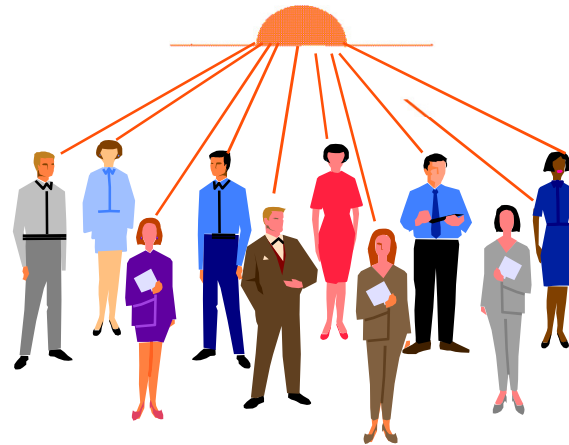
*Jac Fitz-enz, President, Saratoga Institute*

“...The critical feature of a knowledge workforce is that knowledge workers are not labor, they are capital...what’s critical is the productivity of capital”

*Peter F. Drucker*

## The Link to Success...

Competencies translate the strategic vision and goals for the organization into behaviors or actions employees must display for the organization to be successful.



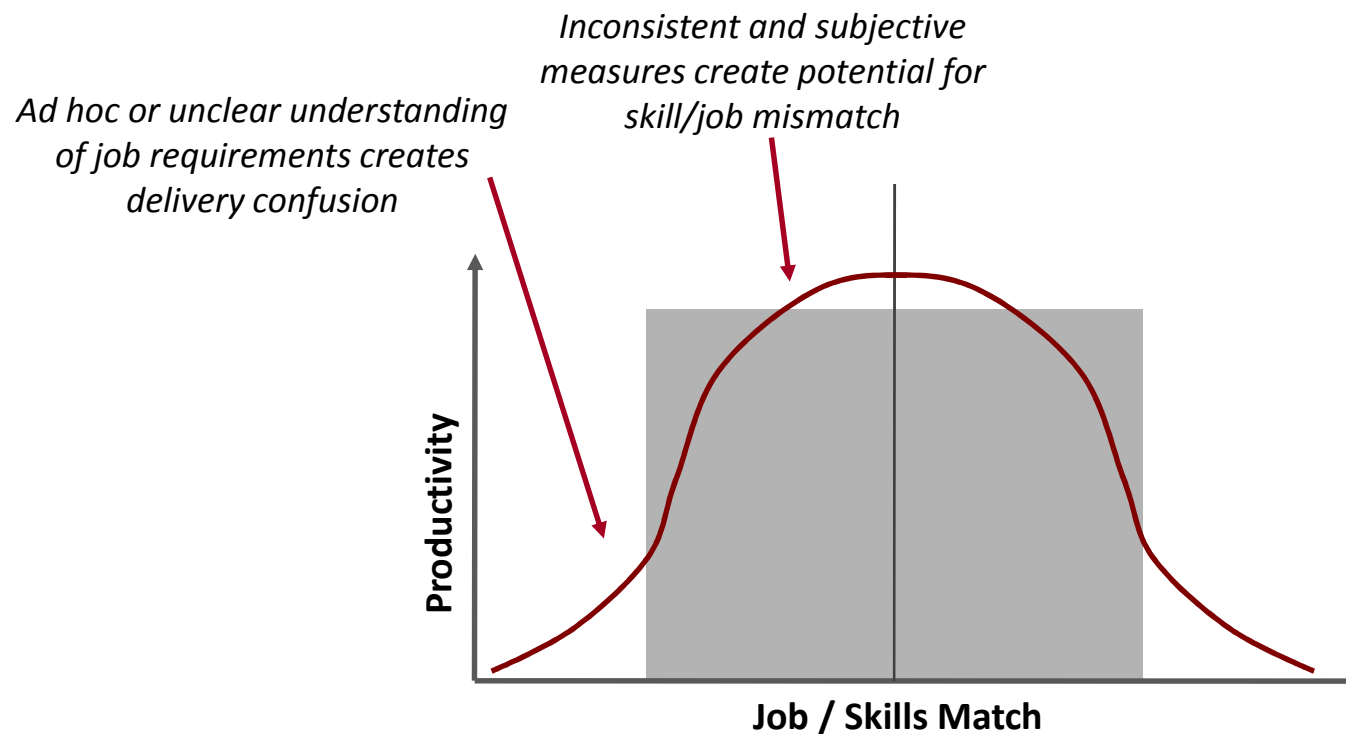
*For organizations that seek to align their workforce with business objectives, competency management is critical.*

*Aberdeen Research, 2007*

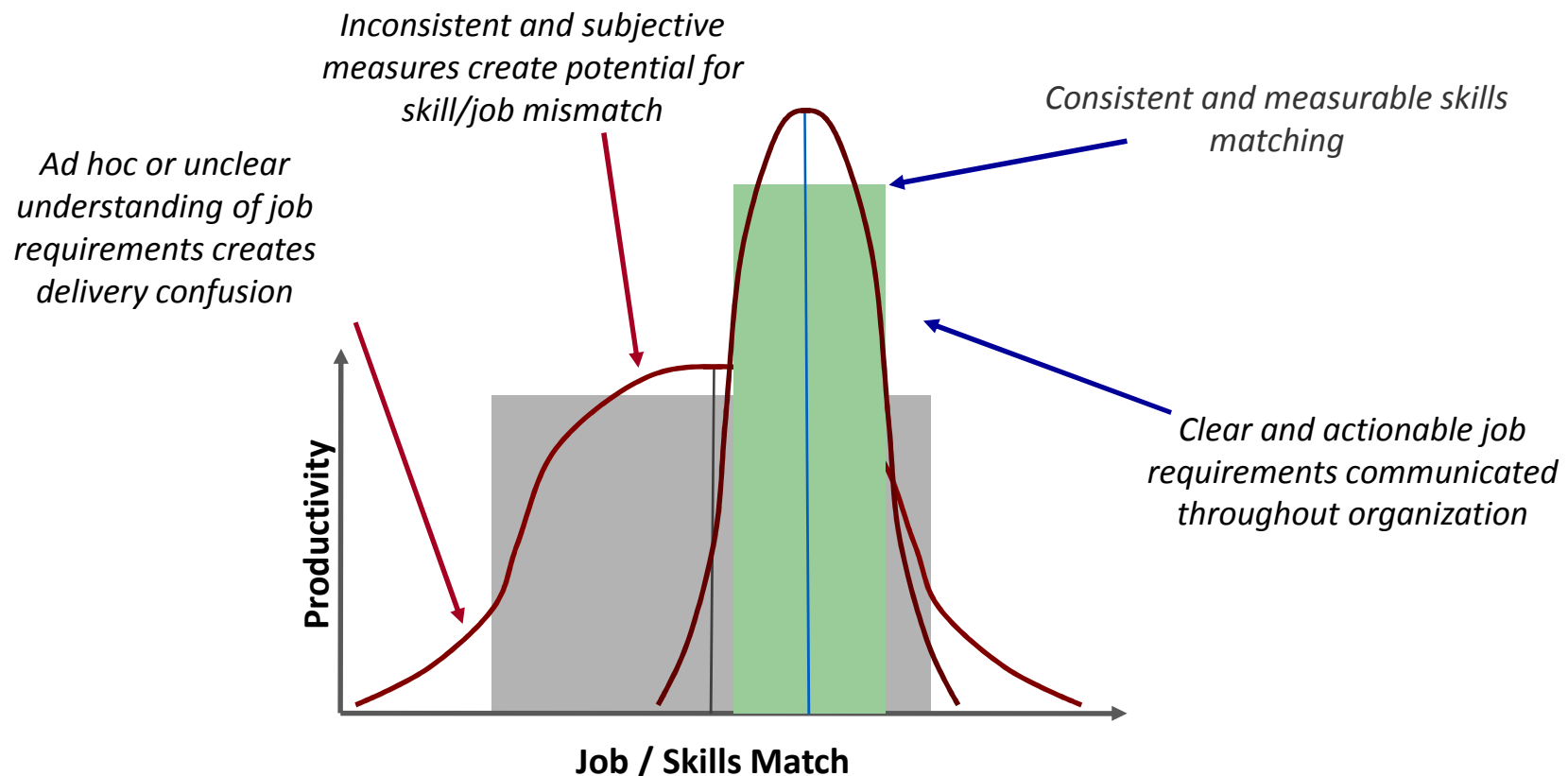
## What are Competencies?

*Observable* abilities, skills, knowledge, motivations or traits, *defined in terms of the behaviors*, needed for *successful* job performance.

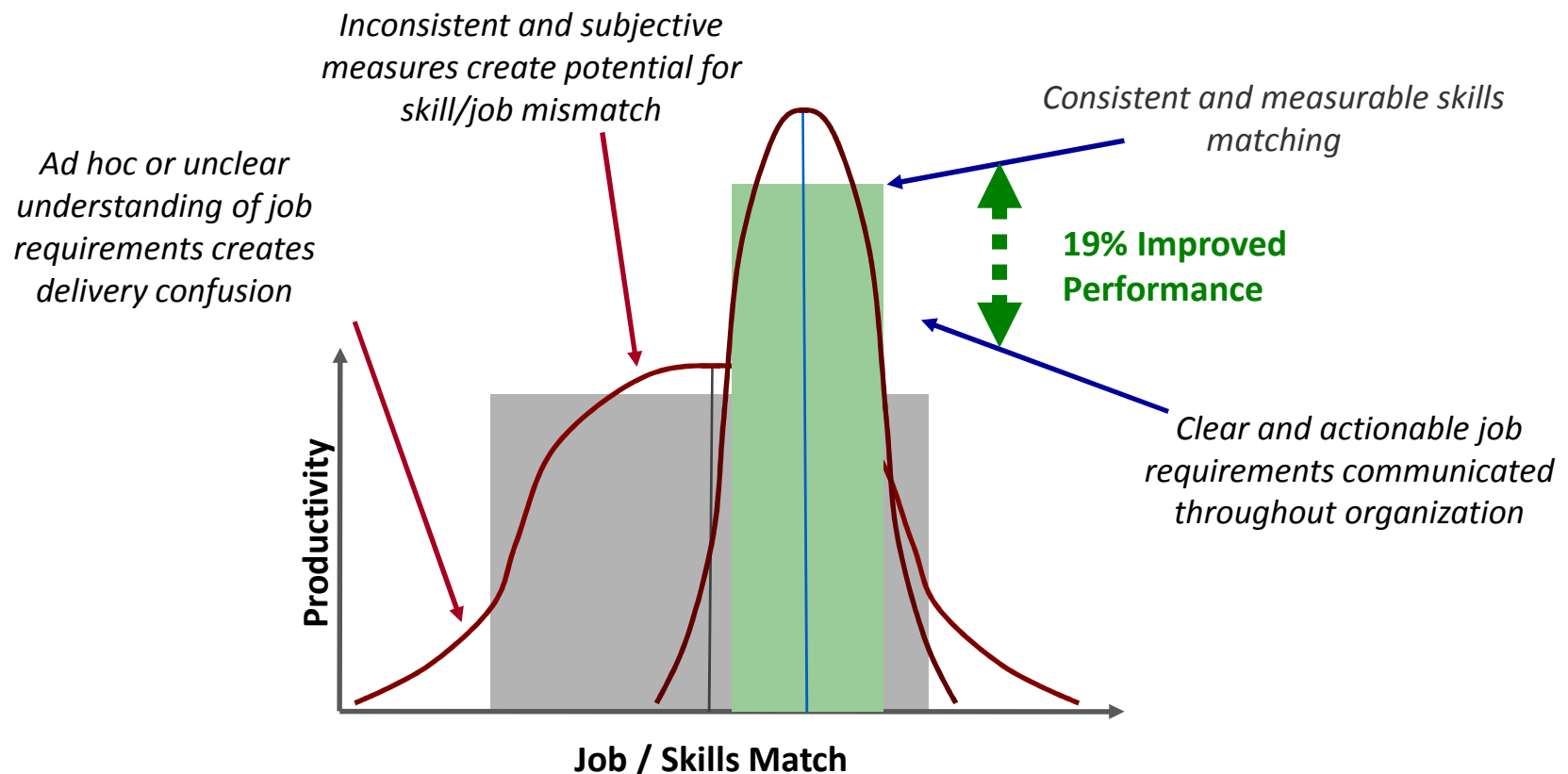
## Is There a Better Way?

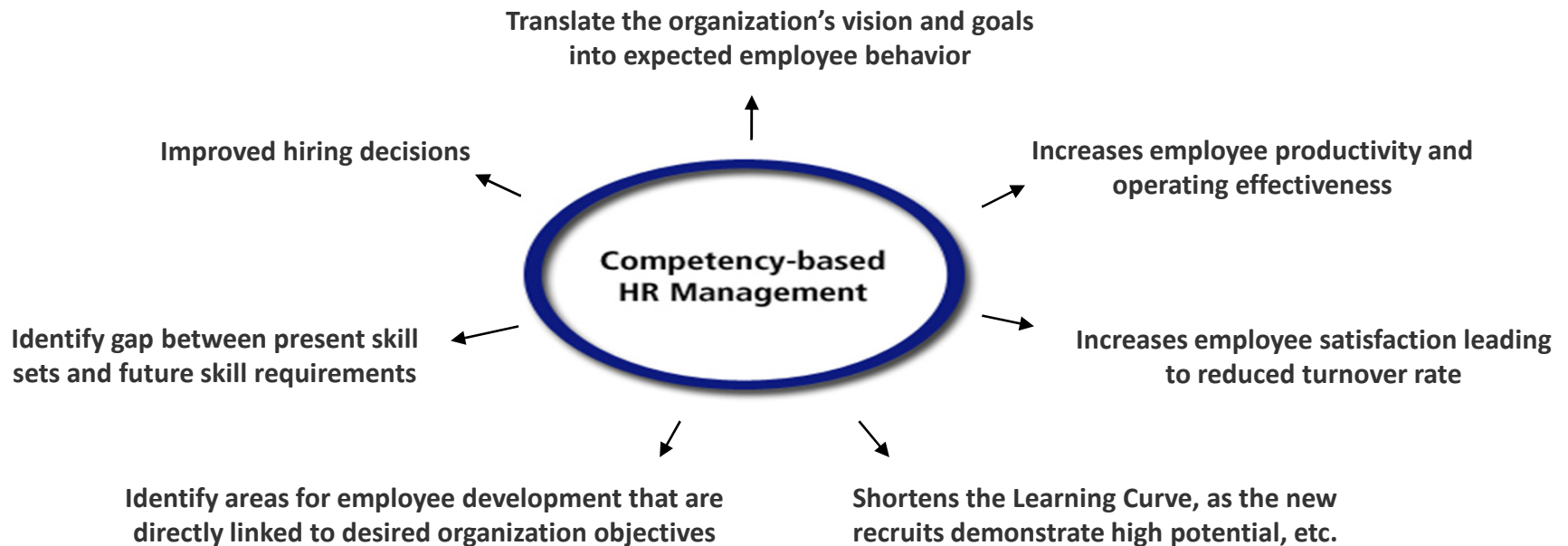


## Is There a Better Way?



## Is There a Better Way?





## The Research

Better Employee Competency / Job Matching Results in:

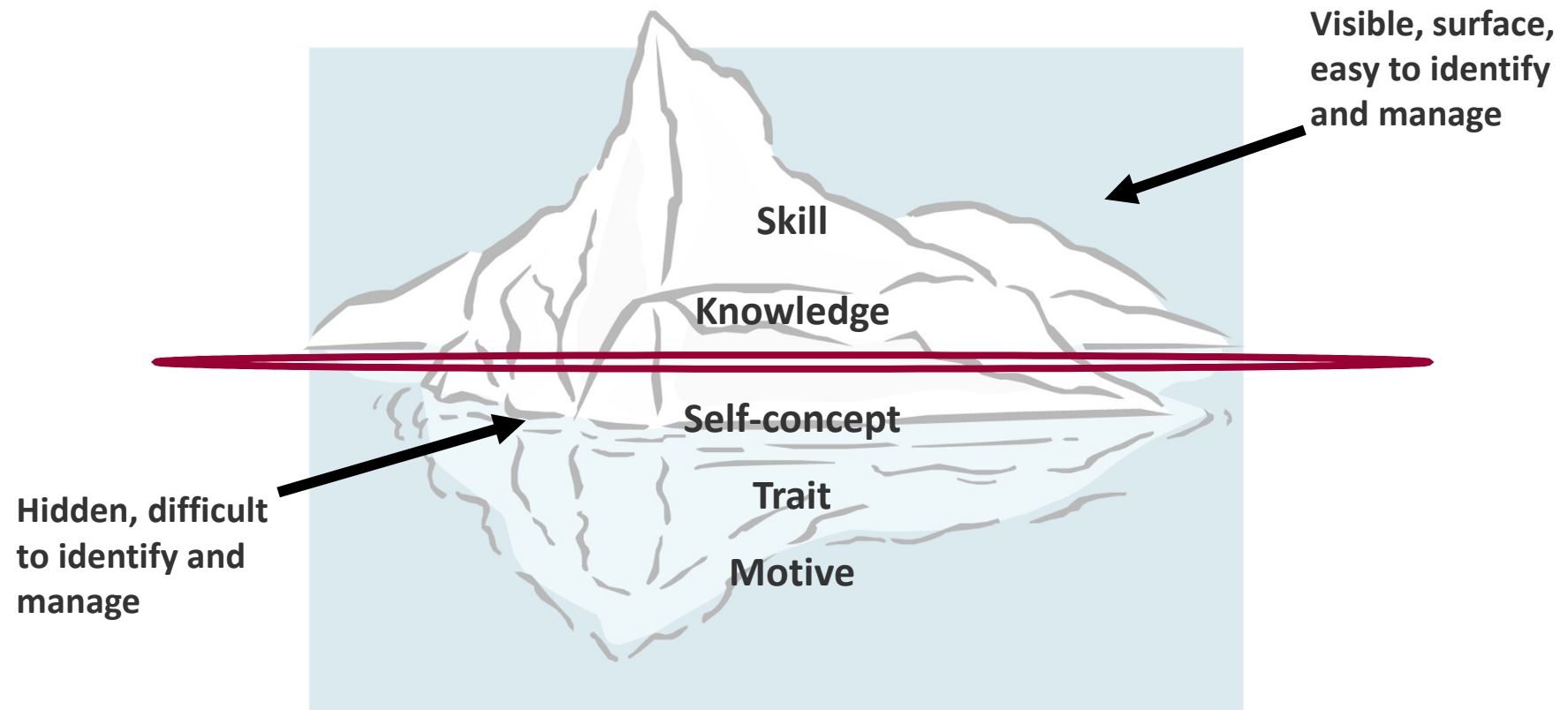
- 63% reduction in **turnover** due to increased employee satisfaction – due to greater clarity about performance expectations – Spencer, 2001
- 19% improvement in **employee performance** – Spencer, 2001
- 12.5% increase in **sales and profits** due to Competency-Based training programs – Spencer, 2001
- Improved **leadership capacity**
  - Companies with highest rated leadership development programs, compared to those with weak programs experienced:
    - 600% increase in overall business impact
    - 640% improvement in their leadership bench strength
    - 480% improvement in leader engagement and retention

– Bersin, 2007



- Competencies in more depth
- Defining a Competency Profile / Model

## Competencies – Another View



Source: *Spencer & Spencer, 1993*

## Example Competencies

### Achievement Orientation

- Focusing efforts on achieving high quality results consistent with the organization's standards.

### Adaptability

- Adapting in order to work effectively in ambiguous or changing situations, and with diverse individuals and groups.

### Analytical Thinking

- Analyzing and synthesizing information to understand issues, identify options, and support sound decision making.

### Client Focus

- Providing service excellence to internal and / or external clients.