

Just when the Millennium bug was first mooted and France was putting its mitts on football's World Cup, businesses in the UK were grasping the competency framework concept then hot-footing it from across the Atlantic. Being driven by the quest 'how do we make exceptional performance in our people the norm?' was complemented by the overwhelming need to retain talent, as well as attract it. Now, a decade or so on, we thought it time to see how things have got on and whether the panacea worked?

Fashionable as the competency-based assessment solution was for some, the intent behind its introduction was a matter of critical importance for many. For organisations that saw their people as a key differentiator and, therefore, a vital asset, attracting and retaining the best talent was, and is, a vital ingredient – particularly in the ravaging 'war for talent'. Replacing leavers is ever-more difficult as employers fight tooth and nail to dissuade staff from resigning. Enlightened employers, realising that prevention is better than cure, saw the 360° review process and structured personal development that accompanied the competency framework process as the ideal solution. They also saw it as a way of enhancing competitive advantage and leveraging human capital investment.

Introducing frameworks for the first time took longer than almost everyone anticipated. Budgets were generally insufficient, as the internal cost of approvals, training and implementation was underestimated. Not every organisation's culture and business planning sat comfortably with the training, promotion and corporate commitment that went hand-in-hand with every staff member's development programme. Relating business objectives to each role profile tended to prove more complex than expected.

However, putting a competency framework in place has generally proven to be a successful contributor to organisations wanting to modernise. They have been highly effective at removing the 'glass ceiling' syndrome. The jury's out on whether they've reduced churn but they do seem to help in the recruitment of new talent. Enlightened, prospective employees appear to be more impressed by organisations that illustrate a commitment to a robust competency-based review process.

There is a wide diversity in the scale and scope of the framework documentation. Some are captured on spreadsheet,

squeezed onto part of a single A4 sheet. Others are highly structured, professionally printed and extend to half a dozen pages or more. Many are electronic and posted on intranets. There's little doubt that the most effective frameworks relate the competencies to the corporation's core values. Not every organisation has taken the essential step of linking their competencies to role profiles. Those companies tend to have let the application of their framework slip and pay them lip service.

Have you been framed?

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Although accepting that espousing the competencies from the top is essential, not all leaders/senior managers have complied. Many think they've got away with not practising what their frameworks preach, at least on occasions – but we know otherwise. This can have the impact of reducing the competency model to a farce.

On occasion, the original compilation of the framework has put pressure on brand definition and key differentiators, as well as the internal perception of the corporate culture. In predetermining what excellence in their people looks like, it became obvious to some organisations that they were actually promoting themselves in an identical way to their competitors and making statements that were ineffective as they couldn't be measured. This became most apparent when relating the review process to reward (something we don't recommend) and having to establish KPIs that were quantifiable. Role profiles, where they existed, had to be re-written to accommodate the new demands.

The major impact of newly introduced frameworks came from the review process and accommodating the subsequent staff training and development. At the beginning, reviews were generally taking about twice as long as expected, ie, three to five hours (some took days). Now, they are slicker and more focused, lasting about two hours on average. Some training/development programmes have been extensive, eg, funding of MBAs. Employers realised they were making their people even more desirable and therefore had to work even harder to hold onto them.

With the removal of 'glass ceilings' and open encouragement of all staff to achieve

their potential, it was inevitable that more titles would have to be created and, eventually, increased equity participation. While this has helped companies hold onto their talent it has tended to make them top heavy. Over the years, frameworks have encouraged companies to adopt a more mentoring approach and empower employees at an earlier stage in their career.

Managing the expectation of overly ambitious employees has been a lesson hard to learn for some employers. With the

openness created by the framework, the genie was let out of the bottle. Staff members who had an over-inflated opinion of their ability, and yet were valuable to their organisation in their current role, have had to be handled carefully if their loyalty and motivation were to be maintained.

So, have competency frameworks been successful? For us, the answer is 'almost'. They've made a lot of organisations contemplate how they engage with and nurture their staff. They've also tended to remove barriers to promotion and create meritocracies. But the pressure on management to carry out reviews and the cost associated with training and development have been an issue. Developing staff that are made even more valuable to competitors is also a concern. Relating brand and culture to the competencies, business objectives and reward structure has flushed out key questions that have not necessarily been appropriately answered by every organisation.

Time now, we think, to take the competency framework philosophy a step further. The process should be rationalised, made more IT friendly and real-time orientated. Brand and culture need to be reviewed to ensure they fully align with the promises being made to staff. Indirectly, reward should reflect what individuals have done to take the business forward, as well as improve the bottom line. So then, when the cry goes up 'competency review time again' the MD's face doesn't grimace like someone whose tie has just gone through the shredder. Then every company will know it's on the road to true enlightenment – and sustainable profit. ●