Developing Employee’s Performance through Competency Assessment

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Abstract

Competencies provide the individual with a map or indication of the behaviors that will be valued, recognized and in some organizations rewarded. In this regard, organizations that have spent time and money to ensure that competencies are successfully used, is expecting improvement in the assessment of job performance. In this regard, Spencer & Spencer (1993) says that competencies can be measured, and the results of the measurement can be used to plan training and development programs, succession, career management, performance management, recruitment, selection, and application of competency based compensation.

Competencies should be assessed properly, and confidence with their use. Failure to do so may result in individuals finding that their efforts remain largely ignored, worse, a waste of time, especially if they are later told that these competencies are not required for their jobs. However, competencies are not immune to the difficulties encountered with the more traditional measurement of job performance, as there are many aspects influence the successful of the application of assessment.

This study evaluates the effectiveness of the competency assessment to individual development in a construction company in Indonesia. The company has been applying Competency Based Human Resource Management (CBHRM) since 2004. The previous methods to assess the competencies are using assessment center and competency assessment questionnaire. However, the results of the study shows that there are many constraints in applying competencies model successfully due to some reasons such as: the assessment process relies too heavily on managers’ judgment, and the managers and subordinates were hesitant to rate individual with his/her actual rating, the item of the assessment are not cleared enough, validity of the instrument is still questionable, and the employees have not been given any feedback regarding the results of the assessment. In order to overcome the constraints, the researchers used multi rater approach to assess employees’ competencies, and the results show that the big deficiencies between the actual and the expected in some competencies.

Keyword: Competencies, Assessment, CBHRM, Competency Development.

1. Introduction.

People are one of the most important assets that play an important role in organization (Fitz-enz, 2000). In this regard, an effective human resource management will determine the success or failure of an organization. Many different approaches had been chosen by organization, in order to be able to manage their human resources effectively. One of the approaches that often used by organizations is Competency Based Human Resource Management (CBHRM). The organizations that use the CBHRM mostly involve the transition from the traditional way of managing human resource based on what people have (e.g. qualification) to what people can do (capability). In CBHRM, all related processes like employee recruitment and selection, employee development, succession planning, performance management, career management, and compensation are based on competencies. Any organization that aims to generate better returns on investment from their human capital has to focus on the competency of their workforce (Palan, 2007.)

The organization will benefit through its competent workforce, and competencies are enablers. A competent person is expected to be able to achieve desired results that meet organizational standards on quality, quantity, and costs. However, there are also several other factors besides competencies that links to performance, e.g. job demands and organizational environment. In this regard, CBHRM has to be planned and implemented systematically. It also has to be aligned with the organizational strategies and fully supported by the top level management to be able to achieve the aims of the implementation successfully (Dubois & Rothwell, 2004). This study analyzed the implementation of CBHRM especially in the aspect of competency assessment and development at one of the leading state owned company in Indonesia (AB Company), which their main business are in civil construction, industry, trading, and realty.
2. Problems & Objective of the study

There are two aspects in the implementation of CBHRM at AB Company that need to be improved. Those two aspects are: competency assessment and competency development. Competency assessment plays an important role at AB Company, since the results of the assessment are used for developing employee training and development program, career management, and compensation. The results of competency assessment are also used by the employees to compare their current competency level with the company’s desired competency level. From the comparison the company can see the gaps between the two competency levels. By understanding the gaps, the employee can initiate steps to address them by undertaking systematic development programs.

Since 2004, competency assessment at AB Company has been using two methods, namely Assessment Center and Review by employee’s super ordinates and higher level super ordinate (two levels above) by using competency assessment questionnaire. From the study, it is shown that there are several problems that affected the process and results of the competency assessment. Those problems lie on the following factors: questionnaire validity and reliability; the ambiguity of questionnaire’s items; subjectivity (the assessment process relies too heavily on managers’ judgment); hesitancies of managers to rate individual with his/her actual rating; no feedback to the employees; and no follow-up (reward/punishment) as the results of the assessment.

In spite of those problems, AB Company would also like to use competency assessment results as a tool to identify the gap between employees’ current competency level and desired competency level. From the gap it will be developed some planning programs for each employee to minimizing the gap. Based on those above problems, this study will develop questionnaires to assess employees’ competency, especially who works in Human Capital Department; and proposes several competency development alternatives to overcome the gap; and recommends to AB Company to improve their competency assessment process and competency development programs as a whole system.

3. Theoretical Background

3.1 Competency Definition

Spencer & Spencer (1993) state that competency is “An underlying characteristic of an individual that is causally related to criterion-referenced effective and/or superior performance in a job or situation.”

“LOMA Competency Dictionary (1998) define competency as the personal aspects of an employee that enable him or her to achieve superior performance. They include trait, values, attitude, knowledge and skills. Competency drive behaviors produce performance.

“Shermon (2004), says that competency is “An underlying characteristic of a person, which enables him to deliver superior performance in a given job, role or situation.”

From the above definition, researchers conclude that competency is: “An underlying characteristic of an individual that enable him or her to achieve superior performance. It can be measured against certain standards and can be developed through training and development programs.”

3.2 Competency Assessment

Palan (2007) said that competency assessment is a process carried out to determine the level of a person’s competency. Furthermore, Dubois & Rothwell (2004) stated that competency can be performed in several ways. One of them is by identifying behavior which reflects competency and tangible result/outcome from that particular behavior. Fletcher (2005) stated that competency assessment is a process of collecting adequate evidence that the assessed person can conduct and behave as per defined standard in their designated role.

Based on those descriptions, the definition of competency assessment in this paper is: A process that carried out in order to classify the competency level of an employee by collecting adequate evidence to show that the assessed employee can conduct and behave as per defined standard in their designated role.

3.3. Competency Assessment Methods

Palan (2007) said that there are several methods that can be used to assess competency. Those methods are:

There are several ways to conduct the competency assessment using review/evaluation methods, namely: self-assessments, superior assessment, expert assessment, and 360 degree reviews.

2. Interview.
   Interview is a face to face interaction between the employee and the assessor. The interview process can be done in traditional (unstructured interview) or in non-traditional way (behavioral event interview).

3. Observation.
   Observations are more commonly used in assessing technical workplace competencies. This method is very valid and reliable; however it is expensive to train a huge number of trained assessors. Observation is only effective if they are completed using structured checklist. This method is also taken much longer time than the review or interview.

4. Test.
   Knowledge and skill tests are very useful in determining functional competencies. They are quite expensive to construct and administer even though the quality of the data is very good.

5. Assessment Center.
   Assessment center is a comprehensive, standardized procedure in which multiple assessment technique such as situational exercise and job simulation are used to evaluate individual employees for a variety of manpower decision.

   Besides all the competency assessment methods that mentioned above, Dubois & Rothwell (2004) also stated that competency assessment can be done using self-assessment methods, superior/boss assessment, peer assessment, work expert assessment, costumer/client assessment, certification/licensing, and assessment centers. Considering the theoretical as well as the practical aspects, in this study the researchers used review/evaluation methods by employee’s superior/boss, employee’s peer, and self-evaluation. This method is also called as multi-rater competency assessment methods.

3.4. Common Problems with the Ratings

There are some problems during the assessment process. The problems commonly happened are:

1. Halo or Horn Effect. A tendency to rate high on all factors due to the impression of a high rating on some specific factors. On the other hand, horn effect is a person rated unsatisfactorily in one item, which in turn influences the rater to give that person similar rating or lower than deserved rating on other items.

2. Recency Effect. It occurs when the recent performance appraisal of a person dominates the assessment.

3. Central Tendency Effect. The condition express the reluctance of the assessor to make extreme rating (in either direction), as well as the inability to distinguished between and among assesses.

4. Contrast Effect. It occurs when an assessor measures a rate against other employees he or she has recently rated or relative to the average performance of other members in the work unit or those performing in similar jobs rather than in comparison with established performance standards.

5. Leniency Effect. The assessor acts as a standard against which competency assessment are developed.

6. Bias/Similarity Error. This error occurs when the assessor rates the employees based on the similarity between them.

3.5. Behavioral Feedback

Shermon (2004) stated that behavioral feedback is any information given in the present time about past behavior to influence future behavior. Giving concrete, specific and particular feedback in the right times (not just once in a year) will help employees to understand what are the desired competencies that needed to be acquired and what are their current competency levels. Employees who are responsible to give feedback must have special knowledge and skill in giving feedback. Behavioral feedback is a very important aspect in competency assessment and competency development.

After the feedback session, the next step that should be taken is developing program for development (Prihadi, 2004; Shermon, 2004). In order to be effective, the development program must be aligned with company’s strategic plan. The feedback process will help employees, their superior and human capital department to see many possible alternatives that can be done to develop the competency outside formal training program. The development of the program by employees and their superior will drive employees to take more responsibility on self-developmental aspect.

According to Prihadi (2004), the development plan will be effective if the organization pays into consideration some factors as the followings:
1) The plan should meet the SMACRT criteria (Specific, Measurable, Challenging, Realistic, and Time bound).
2) Pay attention to other employees’ commitment to schedule, current targets, and other liabilities outside the work place.
3) Learning experiences and expectations of the employees.
4) Willingness to achieve the realistic goals or targets.
5) Knowledge of organizational development.
6) Resources needed to develop the competency.

Furthermore, Shermon (2004) also stated that the important thing to do after plan has been made is The Human Capital Department has to monitor, evaluate, and provide continuous feedback to the implementation of the program.

3.6. Competency Development Methods

Based on several theories about learning process for adult, herewith will be described about several activities which can be carried out to improve competency:

1. **On the Job Training**. Having a person learn a job by actually doing it. According to Dessler (1994), some methods of On the Job Training are as follows:
   - **Coaching**. In coaching methods individual works directly with a senior manager or with a person that he or she is to replace, or a person whom considered as expert or understand very well on some areas which the company wants the individual to learn.
   - **Junior Boards**. A development program with purpose to give experiences to individual in solving problems faced by company. Through this approach, individual is being asked to sit together with top management to discuss the real problem faced by company and then followed by establishing policy to handle those problems.
   - **Action Learning**. In action learning teams or work groups get an actual business problem, work on solving it and commit to an action plan, and accountable for carrying out the plan.
   - **Participation on Task Force Committee or Team**. A development program conducted by giving such freedom and opportunity in terms if time for individual to work part timely in a project or analyzing and solving problems occurred in other department.

2. **Competency Based Formal Training Program**. A structured training program conducted in class room with formal situation given by a qualified instructor. This training program focuses on specific competency that needed to be developed by the employee.

3. **Self Study Course & After Hour Course**. A courses being carried out based on individual self plan and individual speed. Commonly conducted after office hour.

4. **Discussion with Subject Matter Expert (SME)**. A session where an individual can discuss with one or more persons with expertise in particular competency which need to be improved. SME can be from internal or external source.

5. **Outside Seminars**. Participating in seminars organized outside of company with topics related to current job/position, to expand knowledge and update latest trend or information.

6. **Reading**. An assignment to reads some books and selected articles to enhance understanding about some topics.

7. **Behavior Modeling**. A competency development method conducted by behavior modeling involves (1) Showing trainees the right (or “model”) way of doing something, (2) letting trainees practice that way, and then (3) giving feedback on trainees performance.

4. Methods

4.1 Research Approach & Methods

This study used descriptive approach. All data in this study had been collected using two methods, qualitative and quantitative methods. Qualitative method is a method using in-depth interview, and quantitative method is a method using competency assessment questionnaires. In-depth interview in this case was conducted by Recruitment and Career Development Manager, and the staff who is responsible to conduct the competency assessment and to develop competency development programs. The competency assessment questionnaires were used to assess the competency level of 40 employees who works on Human Capital Department.

4.2 Competency Assessment Methods

In the case of this study the researchers reviewed the employees by multi rater competency assessment methods, and competency assessment questionnaires. The competency assessment questionnaires were developed based on the company’s competency model. The assessors were consists of: employee him/her-self (self report), employee’s super ordinate, and employee’s peer. This method is based on Fletcher (2005) who stated that in competency assessment, the assessor must be someone who interacts intensively with the employees.
5. Assessment Results & Analysis

5.1 Characteristics of Respondents

The respondents of Human Capital Department have been working at AB Company for at least one year and the longest tenure in this company is 19 years. It is planned that the number of respondents was 40 respondents, however as the lack of time as well as the work load activities of the respondents, the number of persons had been assessed is only 11 respondents, but with 3 assessors (superior, peer, and self) for each assessed person, which in total the number of respondents is 33. All the respondents are bachelor degree, mostly in management, as shown below in Table 1.

<table>
<thead>
<tr>
<th>No.</th>
<th>Rank</th>
<th>Tenure (years)</th>
<th>Education</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Junior Staff</td>
<td>12</td>
<td>Bachelor in Management</td>
</tr>
<tr>
<td>2</td>
<td>Junior Specialist</td>
<td>4</td>
<td>Bachelor in Management</td>
</tr>
<tr>
<td>3</td>
<td>Junior Specialist</td>
<td>10</td>
<td>Bachelor in Management</td>
</tr>
<tr>
<td>4</td>
<td>Junior Specialist</td>
<td>10</td>
<td>Bachelor in Management</td>
</tr>
<tr>
<td>5</td>
<td>Junior Specialist</td>
<td>11</td>
<td>Bachelor in Management</td>
</tr>
<tr>
<td>6</td>
<td>Junior Specialist</td>
<td>12</td>
<td>Bachelor in Management</td>
</tr>
<tr>
<td>7</td>
<td>Junior Specialist</td>
<td>14</td>
<td>Bachelor in Management</td>
</tr>
<tr>
<td>8</td>
<td>Junior Specialist</td>
<td>11</td>
<td>Bachelor in Psychology</td>
</tr>
<tr>
<td>9</td>
<td>Junior Specialist</td>
<td>5</td>
<td>Bachelor in Management</td>
</tr>
<tr>
<td>10</td>
<td>Junior Specialist</td>
<td>1</td>
<td>Bachelor in Psychology</td>
</tr>
<tr>
<td>11</td>
<td>Senior Staff</td>
<td>15</td>
<td>Bachelor in Management</td>
</tr>
</tbody>
</table>

The results of the study as seen in Table 2 and Table 3. From Table 2 depicts the gaps between the employees’ actual competencies level (ACL) and required competencies level (RCL) or ideal competency level. The RCL score is 4.00 or the maximum number, but for the ACL scores the values can be 1.00 to 4.00. In this case, if the score of ACL is laid between 1.00 - 1.99 that means the assessed person or employee has a lack of competence in that competency and it can cause a negative impact on his/her performance. If the score of ACL is laid between 2.00 to 2.99 that means the employee’s competency needs some developments for increasing his or her performance. If the score of ACL is laid between 3.00 to 3.99 that means the designated competency has met the company’s required competency and the score of 4 is that the employee is superior in showing the performance.

<table>
<thead>
<tr>
<th>COMPETENCIES</th>
<th>REQUIRED COMPETENCY LEVEL</th>
<th>AVERAGE ACTUAL COMPETENCY LEVEL</th>
<th>AVERAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>JUNIOR SPECIALIST</td>
<td>JUNIOR STAFF</td>
<td>SENIOR STAFF</td>
</tr>
<tr>
<td>Soft-competencies</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Achievement Orientation</td>
<td>4.0</td>
<td>3.2</td>
<td>3.3</td>
</tr>
<tr>
<td>Concern for Order &amp; Quality</td>
<td>4.0</td>
<td>3.2</td>
<td>3.0</td>
</tr>
<tr>
<td>Information Seeking</td>
<td>4.0</td>
<td>3.1</td>
<td>3.3</td>
</tr>
<tr>
<td>CS Orientation</td>
<td>4.0</td>
<td>3.0</td>
<td>3.4</td>
</tr>
<tr>
<td>Interpersonal Understanding</td>
<td>4.0</td>
<td>3.2</td>
<td>3.4</td>
</tr>
<tr>
<td>Relationship Building</td>
<td>4.0</td>
<td>2.9</td>
<td>3.6</td>
</tr>
<tr>
<td>Teamwork &amp; Cooperation</td>
<td>4.0</td>
<td>3.0</td>
<td>3.7</td>
</tr>
<tr>
<td>Impact &amp; Influence</td>
<td>4.0</td>
<td>3.0</td>
<td>3.2</td>
</tr>
<tr>
<td>Analytical Thinking</td>
<td>4.0</td>
<td>3.1</td>
<td>2.7</td>
</tr>
<tr>
<td>Conceptual Thinking</td>
<td>4.0</td>
<td>2.6</td>
<td>3.0</td>
</tr>
</tbody>
</table>
Table 2 The result of the competency assessment of Human Capital Dept. (cont’ed)

<table>
<thead>
<tr>
<th>COMPETENCIES</th>
<th>REQUIRED COMPETENCY LEVEL</th>
<th>ACTUAL COMPETENCY LEVEL JUNIOR SPECIALIST</th>
<th>ACTUAL COMPETENCY LEVEL JUNIOR STAFF</th>
<th>ACTUAL COMPETENCY LEVEL SENIOR STAFF</th>
<th>AVERAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hard-competencies</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Company’s Business Orientation</td>
<td>4.0</td>
<td>3.0</td>
<td>3.0</td>
<td>3.3</td>
<td>3.1</td>
</tr>
<tr>
<td>English</td>
<td>4.0</td>
<td>2.8</td>
<td>3.0</td>
<td>2.7</td>
<td>2.6</td>
</tr>
<tr>
<td>HR Policy</td>
<td>4.0</td>
<td>2.8</td>
<td>3.0</td>
<td>3.7</td>
<td>3.3</td>
</tr>
<tr>
<td>HR Strategy</td>
<td>4.0</td>
<td>3.3</td>
<td>3.4</td>
<td>3.3</td>
<td>3.2</td>
</tr>
<tr>
<td>Selection</td>
<td>4.0</td>
<td>3.0</td>
<td>3.4</td>
<td>3.3</td>
<td>3.1</td>
</tr>
<tr>
<td>Managing Performance</td>
<td>4.0</td>
<td>3.0</td>
<td>3.3</td>
<td>3.3</td>
<td>3.1</td>
</tr>
<tr>
<td>People Development</td>
<td>4.0</td>
<td>3.0</td>
<td>3.4</td>
<td>3.3</td>
<td>3.2</td>
</tr>
<tr>
<td>Remuneration</td>
<td>4.0</td>
<td>2.7</td>
<td>3.4</td>
<td>3.7</td>
<td>3.3</td>
</tr>
<tr>
<td>Industrial Relation</td>
<td>4.0</td>
<td>3.4</td>
<td>3.7</td>
<td>3.3</td>
<td>3.3</td>
</tr>
<tr>
<td>Organizational Development</td>
<td>4.0</td>
<td>3.0</td>
<td>3.4</td>
<td>3.7</td>
<td>3.3</td>
</tr>
<tr>
<td>Human Resource Information System</td>
<td>4.0</td>
<td>2.8</td>
<td>2.6</td>
<td>3.3</td>
<td>2.9</td>
</tr>
<tr>
<td>Separation</td>
<td>4.0</td>
<td>2.7</td>
<td>3.6</td>
<td>3.3</td>
<td>3.2</td>
</tr>
<tr>
<td>Average Score</td>
<td><strong>4.0</strong></td>
<td><strong>3.0</strong></td>
<td><strong>3.3</strong></td>
<td><strong>3.4</strong></td>
<td><strong>3.1</strong></td>
</tr>
</tbody>
</table>

5.2 Analysis

According to the results of the competency assessment, it can be seen that most of the scores are laid between 2.00 - 2.99, and all the persons are Junior Specialist and Junior Staff ranks. It means the Human Capital Dept. should develop the competencies of those persons to meet the ideal competencies level as needed by the organization. From the Table 3 can be seen that the soft-competencies need to be developed are the followings: Conceptual Thinking, Relationship Building, Customer Service Orientation, Information Seeking, Impact & Influence, Analytical Thinking, Initiative, and Continuous Learning. In other side is the hard-competencies that need also to be developed are English, Industrial Relation, Separation, Managing Performance, Remuneration, Company’s Business Orientation, Human Resource Strategy, Human Resource Policy, Organizational Development, and Human Resource Information System.

More over, it also shows that, most of the Human Capital Dept. Staff’s competency scores are in the range of 2 - 2.99. It means that some development are needed to meet the ideal competencies. In this case, the soft-competencies that need to be developed are Concern for Order, Quality & Accuracy, Interpersonal Understanding, Relationship Building, and Analytical Thinking. For the hard-competencies they still have to develop English and Human Resource Information System competencies.
### Table 3 The competencies’ need of developments.

<table>
<thead>
<tr>
<th>Competencies</th>
<th>Junior Specialist (persons)</th>
<th>Junior Staff (persons)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Soft Competency</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Concern for Order &amp; Quality</td>
<td>-</td>
<td>2</td>
</tr>
<tr>
<td>Interpersonal Understanding</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td>Conceptual Thinking</td>
<td>4</td>
<td>-</td>
</tr>
<tr>
<td>Relationship Building</td>
<td>4</td>
<td>1</td>
</tr>
<tr>
<td>Customer Service Orientation</td>
<td>4</td>
<td>-</td>
</tr>
<tr>
<td>Information Seeking</td>
<td>1</td>
<td>-</td>
</tr>
<tr>
<td>Impact &amp; Influence</td>
<td>1</td>
<td>-</td>
</tr>
<tr>
<td>Analytical Thinking</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Initiative</td>
<td>1</td>
<td>-</td>
</tr>
<tr>
<td>Continuous Learning</td>
<td>1</td>
<td>-</td>
</tr>
<tr>
<td><strong>Hard Competency</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>English</td>
<td>6</td>
<td>2</td>
</tr>
<tr>
<td>Industrial Relation</td>
<td>5</td>
<td>-</td>
</tr>
<tr>
<td>Separation</td>
<td>5</td>
<td>-</td>
</tr>
<tr>
<td>Managing Performance</td>
<td>4</td>
<td>-</td>
</tr>
<tr>
<td>Remuneration</td>
<td>4</td>
<td>-</td>
</tr>
<tr>
<td>Company’s Business Orientation</td>
<td>3</td>
<td>-</td>
</tr>
<tr>
<td>Human Resource Strategy</td>
<td>3</td>
<td>-</td>
</tr>
<tr>
<td>Organizational Development</td>
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<td>-</td>
</tr>
<tr>
<td>Human Resource Policy</td>
<td>2</td>
<td>-</td>
</tr>
<tr>
<td>Human Resource Information System</td>
<td>1</td>
<td>2</td>
</tr>
</tbody>
</table>

6. Conclusions

6.1. Conclusions

From the results, it can be concluded that:

1. The review or multi-rater competency assessment and assessment center can still be used to assess the employees’ competencies. In this regard, to enhance the effectiveness of competency assessment, feedback session and competency development program for the employees is necessarily included.

2. There are many gaps between ideal competencies level and actual competencies level in the rank of Junior Specialist and Junior Staff.


4. The competencies to be developed for Junior Staff in soft-competencies are Concern for Order & Quality, Interpersonal Understanding, Relationship Building, and Analytical Thinking. For the hard-competencies are English and Human Resource Information System.

5. The competency that has the biggest gap in the Junior Specialist rank is English.

6. The methods to develop the persons who need the development programs can be used on the job training, coaching, junior board, action learning or participation on task force committee or team, competency based formal training.
program, self-study courses or after hour courses, discussion with subject matter expert, outside seminars, reading, and behavior modeling. The options to use those methods are depend on the competency, opportunity, and the availability of resources.

7. Since the number of participants for this research is limited to 33, it can be assumed as the followings: 1) The employees did not appreciate the research seriously; 2). The questionnaire is complicated, due too many items to be answered; 3) The employees too busy; and 4) the advantage of the questionnaires is not felt by the employees.

7. Recommendations

7.1 Improving the Effectiveness of the Competency Assessment Program.

Based on the findings, it was found that after competency assessment has been conducted, there is no systematical action in the form of feedback to the employees about the results of their competency measurement. In this regard, Human Capital Dept. has actually endorsed superiors or managers (employee who has direct subordinate) to give feedback to their subordinates. However, the feedback sessions has not been running properly until now.

Based on the above description, some recommendations to improve the effectiveness of employee competency measurement and competency development are as follows:

1. Ensuring that competency measurement program always being followed by effective feedback program from superior in which Human Capital Dept. can act as facilitator who ensures this program run effectively.
2. Increasing the role and responsibilities of superiors and managers in the feedback program. This will increase on the role and responsibilities of superiors and managers. It can be started by giving them the understanding on the importance of feedback for all related parties, also by increasing their motivation to give feedback (for example this can be done by formulating feedback process as a part of competency called ‘developing others’ for any superior or structural manager, which will also be assessed and will be given such reward if this is conducted well).
3. Creating an ‘easy to apply’ feedback system. This feedback program should not be considered as an additional workload. In this regard, providing trainings for superiors and structural managers to improve their skill in giving feedback and developing subordinate, and then conducting continuous monitoring to any superiors and structural managers to ensure that this program is conducted effectively is needed.
4. Ensures that there is a follow up program, to set up personal development program for employees who will be related to achievement of employees’ personal objective, departmental objective, and at the end is company’s objective (Prihadi 2004.) A couple of things need to be considered in developing employee personal development are:
   1) Plan must fulfill criteria of SMACRT (Specific, Measurable, Challenging, Realistic and Time bound.)
   2) Considering employee’s commitment for any existing schedule and current work objective, while also considering their responsibility outside of their job.
   3) Previous learning experience and employee’s interest.
   4) Pursuit of achieving objective (objective may not be ideal, but realistic to achieve.)
   5) Knowledge on comprehensive organizational development.
   6) Resources needed to conduct development.

Besides all of the aspects above, Shermon (2004) expresses that after plan has been well designed to become a personal development program and then being implemented, the important things need to be conducted by superior and Human Capital Dept. are continuous monitoring, continuous evaluation, and continuous feedback related to those program implementations.

7.2 Competency Development Program

Based on the result of competency assessment, some of the recommendations for competency development programs are as follows:

1. On the Job Training.
   It will be conducted in order to develop functional competency such as Human Resource Policy, Human Resource Strategy, Selection, Managing Performance, People Development, Remuneration, Industrial Relation, Organizational Development, Human Resource Information System, and Separation

2. Coaching.
   It should be conducted in order to develop general competency such as Conceptual Thinking, Relationship Building, Costumer Service Orientation, Information Seeking, Impact & Influence, Analytical Thinking, Initiative, Continuous Learning, or functional competency such as Company’s Business Orientation, Human Resource Policy, Human Resource Strategy, Selection, Managing Performance, People Development, Remuneration, Industrial Relation, Organizational Development, Human Resource Information System, and Separation. The success of this coaching program will be much driven by skill of coacher in giving coaching, included are communication pattern, job delegation, feedback, reinforcement, and other activities.
This method is conducted in order to develop general competency such as Conceptual Thinking, Relationship Building, Information Seeking, Impact & Influence, Analytical Thinking, and Initiative. Beside, this competency can be conducted in order to develop functional competency such as Company’s Business Orientation, Human Resource Policy, Human Resource Strategy, Selection, Managing Performance, People Development, Remuneration, Industrial Relation, Organizational Development, Human Resource Information System, Separation, etc.

4. Employee Involvement.
Employee in Action learning/participation on task force committee or team is conducted to develop general competency such as Conceptual Thinking, Relationship Building, Information Seeking, Impact & Influence, Analytical Thinking, and Initiative. Besides this, competency can be conducted in order to develop functional competency such as Company’s Business Orientation, Human Resource Policy, Human Resource Strategy, Selection, Managing Performance, People Development, Remuneration, Industrial Relation, Organizational Development, Human Resource Information System, Separation, etc.

5. Competency Based Formal Training Program.
This program is conducted to develop general competency such as Customer Service Orientation. Beside, this competency can be conducted in order to develop functional competency such as Human Resource Policy, Human Resource Strategy, Selection, Managing Performance, People Development, Recruitment, Remuneration, Industrial Relation, Organizational Development, Human Resource Information System, Separation, etc.

6. Self-study Course & After Hour Course.
This program is conducted to develop functional competency such as English, Human Resource Policy, Human Resource Strategy, Selection, Managing Performance, People Development, Recruitment, Remuneration, Industrial Relation, Organizational Development, Human Resource Information System, Separation, etc, depends on what type of the course.

7. Discussion with Subject Matter Expert (SME).
This program is conducted to develop general competency such as Achievement Orientation, Conceptual Thinking, Relationship Building, Customer Service Orientation, Information Seeking, Impact & Influence, Analytical Thinking, Initiative, Continuous Learning, or functional competency such as Company’s Business Orientation, Human Resource Policy, Human Resource Strategy, Selection, Managing Performance, People Development, Remuneration, Industrial Relation, Organizational Development, Human Resource Information System, and Separation. The program is dependent on the topic of the discussion.

8. Outside Seminars.
This program is conducted to develop functional competency such as Human Resource Policy, Human Resource Strategy, Selection, Managing Performance, People Development, Remuneration, Industrial Relation, Organizational Development, Human Resource Information System, and Separation.

9. Reading.
This program is conducted to many kinds of functional competency and general competency as well. However, problem occurred frequently is that employee has less motivation to read due to lack of time, lack of monitoring process, no follow up on reading assignment, and no reward impact on this activity.

This method is conducted to develop general competency such as Achievement Orientation, Conceptual Thinking, Relationship Building, Costumer Service Orientation, Information Seeking, Impact & Influence, Analytical Thinking, Initiative, Continuous Learning, or several kinds of functional competency such as Company’s Business Orientation, Human Resource Policy, Human Resource Strategy, Selection, Managing Performance, People Development, Remuneration, Industrial Relation, Organizational Development, Human Resource Information System, and Separation.

Several things to be considered in the process of deciding in the most applicable development programs are: a. The alignment of company’s or department’s objective with employee’s needs; b. Cost effectiveness; c. The availability of resources, e.g., man power, time, supporting system, etc; d. Support the employee to conduct transfer of learning for applying their latest competency in the units; and e. The Knowledge System Management, especially in rewarding the employees who have the activities done by themself.

7.3 Overall program & future research

For the purpose of continuing the program in the future there are some factors that should be considered, as follows:
1. There should be held an intensive socialization and training programs to the person who will become the assessor. In the training, it should be discussed the common mistakes that made by the assessors and how to overcome it, as well as the various measured attribute, measurement procedures, etc.

2. In order to achieve their vision of "AB Star" in 2010, it is also needed that prior to competencies development program, the feedback sessions should be done to all of employees which involving their superiors.

3. Develop online assessment system, in order to make administrative process easier and faster as well as providing access to the employees to update their development and communicate online with the Human Capital Dept. to discuss their development program.

4. Increase the supervisor involvement. As AB company has spread in allmost all Indonesian region as well as abroad, in order to maximize feedback and follow-up process from competencies measurement, it is better that the Human Capital Dept increase the participation of superiors and managers to give feedback to the employees after competency measurement was held and actively participate to develop their subordinat’s competencies.

5. Simplify the behavior indicators. In order to make the questionnaires customer friendly, and increased validity, and the language and format should be simplified.

6. Comprehensive and intensive surveys regarding the use of assessment center and multi-rater should be made. This should be done in order to gain more valid, reliable, and objective measurement tools, as at present there are some employees who feel that they got some disadvantages with the use of competency measurement, and this condition could become de-motivating factors for the employees to achieve their best.

7. Questionnaires should be modified. In this regard, some validity, reliability, and item analysis examinations, as well as other intensive trials to the measurement tools should be done.

References


