

AGILE BASED COMPETENCY MANAGEMENT

ABC Management

Output 1 / Activity 4

Article: Developing competency-based assessment

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1. What is competency-based assessment for in companies?

Every job position requires a specific set of knowledge and skills and this is related to the type of job and its level of complexity. Therefore, assessing employees “on the job” through their knowledge and skills is the key to identify what they need not just to perform their current job but also to plan for future roles. This kind of assessment:

- Allows the company to attract and foster those competencies it values to achieve performance and remain sustainable.
- Helps recruiting qualified people for each job.
- Creates a basis for cost and time effectiveness by recruiting the right people from the beginning and therefore reduces personnel turnover.
- Help to identify skills gaps, so that training is focussed on real needs and is cost-effective.

2. Important characteristics of competency-based assessment

In order to conduct a successful competency-based assessment, it is necessary that any system to use for such task considers the following main characteristics:

- Transparency: The process must be consistent with the company’s values and management culture, so everyone is aware about the reasons for which the assessment is conducted.
- Levels: Each competence to be assessed must be defined with different levels of complexity, in order to allow a concrete knowledge of the reality at different moments.
- Consensus: It recommended selecting the competences to be assessed by including different actors within the company, to avoid the process to be seen as an imposition.

3. How to conduct a competency-based assessment?

Generally speaking the following 4 steps process is followed for conducting a competency-based assessment:

3.1. Design

Conducting a competency-based assessment involves first to identify those behaviours that are considered as critical to the business. These are compiled in a document called “dictionary of competences”. It describes behaviour at different levels. This allows standardising the process and makes implementation easier.

3.2. Preparation

In order to perform an assessment, the manager/assessor needs to gather enough clear evidences about the employee to be assessed. On the other hand, logistical and timing conditions are required.

3.3. Evaluation

Conducting competency-based assessment requires explaining the purpose to the employee to ensure that he/she understands the aim of the process. Additionally, he/she should have the opportunity to ask questions before the start of any assessment.

3.4. Interpretation

At the end of the assessment, a report must be generated including a clear and constructive feedback to prepare the meeting with the employee and discuss the results. In case of failure, it is important to indicate the steps to take in order to improve. Employees can take a self-assessment to help them focus career development actions. Decision-makers may use the output of the assessment to identify high potential that can lead the company at different levels.

4. Methodologies for conducting competency-based assessment?

Several methods are used in order to conduct a competency-based assessment. Now a day they are supported by technology and web platforms that allow quickly producing relevant metrics. The following is a list of the most used methods:

360° Feedback – Observation - Assessment Centers - Situational tests (Cases based on real situations) - Critical incidents interview - Repertory grid analysis - Expert opinions – Questionnaires – Interviews - Analysis of personnel documents – Workshops - Performance results



5. Who can conduct competency-based assessment?

A quality and fair assessment can only be conducted by someone (direct supervisor or someone who has previously performed the same job) who is knowledgeable and capable of performing himself/herself all those tasks that are included in the assessed employee' job position. When this is not possible, hiring a third-party is highly recommended.