This document presents specific recommendations for implementing a competency-based approach, and outlines current issues, challenges, and benefits of using such an approach.

### Work Team

<table>
<thead>
<tr>
<th>Work Team Name:</th>
<th>Competencies Team</th>
</tr>
</thead>
<tbody>
<tr>
<td>Work Team Lead:</td>
<td>Jim Gray</td>
</tr>
<tr>
<td>Work Team Facilitator:</td>
<td>Elizabeth Fadell</td>
</tr>
<tr>
<td>Work Team Members:</td>
<td>Karen Aune, Becky Badimassoud, Sebastian Baxter, Brian Esselman, Ron Harris, Alice Halfen, Anne Mekschun, Tamara Kowalski, and Carl Vieth</td>
</tr>
</tbody>
</table>

### Scope

To effectively perform job responsibilities, employees must have, use, and master various competencies. These may include effective communication, technical expertise, independence, innovation, etc. Many employers have built HR structures/process around securing, developing, maintaining, and mastering specific employee competencies. This work team will assess competency strategies and develop/recommend options for implementation at UW-Madison. The Competencies Team should answer the following guiding questions:

1. **How should competencies be used?**
2. **Should competencies be consistent across employee categories/roles? Across job families?**
3. **Should competencies be consistent across divisions?**
4. **What are some illustrative competencies for positions at UW-Madison?**

To accomplish this task, the following goals were identified for the Competencies Team:

- Develop broad and deep understanding of workplace competencies related to human resource management,
- Assess how competencies are currently used in human resource management at UW-Madison,
- Identify leading practices related to HR competency-based approaches in a sampling of external academic institutions and public/private organizations, and
- Evaluate the potential use of competency-based approaches at UW-Madison and make recommendations to the HR Design Project.

**APPROACH:**

To achieve the project goals/scope, team members first invested time to broaden and deepen their knowledge of and understanding of competency-based approaches used in human resource management. Team members then focused their efforts on three key phases of work:

- **Conducting a Current State Assessment:** We collected, analyzed, and synthesized data from several employee forums, surveys, interviews, focus groups, and team member experiences, to create a current state assessment of competency-based practices at UW-Madison.

- **Understanding Leading Practices:** We reviewed human resource competency-based practices in other organizations, including over 20 academic institutions and several private organizations. Some notable educational institutions using competency-based HR practices include the University of Michigan, Stanford University, University of Virginia, Tufts University, and Massachusetts Institute of Technology (MIT).
c. Developing a Future State Model/Design for an HR Competency-Based Approach: We developed a future/desired state for HR management that utilizes a competency-based approach, incorporating specific recommendations and potential challenges, and how these challenges can be addressed.

The team agreed on this operational definition of competencies:

“Competencies are identified knowledge, skills, abilities, and mindsets, evaluated through demonstrated behaviors, which directly and positively contribute to the success of the organization and to the success of employees in their job role, position, and function.”

**Knowledge:** what a person is aware of; information known within a content area typically from facts, education, and experience

**Skills:** the how-to’s of a role; doing physical or mental tasks; capabilities that can be transferred from one person to another

**Ability:** being able to or having the potential to perform; sometimes used interchangeably with talent

**Mindset:** demonstrated behaviors that reflect attitudes, beliefs, values, perceptions, etc., necessary for job and organization success.

**Other Key Definitions Related to Competency-Based HR Practices**

- **Competency identification:** the process of discovering competencies critical to organization and job success, discovered through behavioral interviews of individuals in the job, as well as interviews with others knowledgeable about the job (such as customers, HR personnel and managers), and other data collection and validation methods.
- A **competency model:** the framework used to define and prioritize competencies needed to perform a particular role or job, often the result of rigorous competency identification.
- A **competency dictionary:** a listing of and complete description of the various competencies used for each job, position, or role.
- A **competency assessment:** the process of comparing an individual to an existing competency model, which can be done by various means—one of the most useful being full-circle, multi-rater assessments.
- **Competency guides:** workbooks and tools that allow employees to assess themselves relative to a pre-defined set of competences. Guides are often used to support employee development.

**BRIEF HISTORY OF THE USE OF COMPETENCIES**

Competences are not new; they have been used in many settings for at least 50 years. They have been used in secondary education to develop curriculum, and in health care settings to guide staff development. David McClelland of Harvard University was perhaps the first to focus wide human resource attention on competencies. While working with the State Department in the late 60s studying the hiring of young Foreign Information Service Officers (FISOs), he noticed that standardized intelligence tests and grade point averages were not good predictors of job success. The State Department’s own research showed little correlation between these factors and how well someone performed as a diplomat in a foreign county. At that time, almost all young FISOs were white males. McClelland concluded that understanding what successful people actually do on the job and comparing that to average performers was a much better strategy for determining an applicant’s potential success on the job. (*Reinventing HR* edited by Margaret Butteriss).

Because of McClelland’s earlier work and the success of his consulting firm, McBer (now Hay-McBer). in helping large companies with implementing competency-based human resource/personnel approaches, competencies are now widely used in human resource management and are viewed as a leading practice in effective talent management.

**Summary of Current State**

**OVERALL SUMMARY OF CURRENT STATE**

- No element integrates the various steps in the employee life cycle: attracting, retaining, developing, advancing, and transitioning.
- No element integrates the critical talent management processes: recruiting, selecting, onboarding, managing performance, and developing and retaining employees.
- No element unites employees across the organization.
- Specific knowledge, skills, abilities, and mindsets are rarely used to define individual job roles and functions.
• Broad organizational expectations related to mission and values (including diversity and inclusion) are not included in position descriptions.
• Those few experiences where competency-based approaches are used are viewed as positive and a good way to approach critical HR functions.
• There is lack of awareness of the benefits and value of competency-based approaches to delivering critical HR functions and managing talent.
• For the most part, HR staff members are not familiar with or skilled in using a competency-based approaches to HR and talent management.

Current Strengths

We are not able to report systemwide strengths because UW-Madison does not currently use an integrated, competency-based approach to manage talent. A few areas on campus have used (or are developing) a competency-based approach. In those few incidents where competency-based approaches have been used, people involved have positive comments about the experience. Some other noted strengths of the current use of competency-based approaches include:

• In some areas—especially classified staff—there are roles with well-defined job tasks.
• Behavioral interviews that reflect competencies are being used in some instances.
• The university has a good platform to move forward with competency-based practices (UW mission, vision, and values).
• The void that exists now causes everyone to be enthusiastic and eager to adopt something positive.
• In some areas, there is better employees retention where competency modeling is used.

Given that a new HR system is being designed, we believe UW-Madison is ready to migrate to a competency-based approach in critical HR functions.

Current Issues

The lack of campuswide, integrated competency-based approach, raises several key issues:

1. Many leading academic institutions and organizations use and benefit from competency-based approaches in their talent management processes. We believe the University of Wisconsin could benefit from using competencies in critical HR functions such as recruitment and assessment, performance management, employee development, and workforce diversity.
2. Competency-based human resources and talent management practices have been demonstrated to be one of the best and most effective methods for identifying and retaining talent. These practices help applicants seeking employment clearly understand what knowledge, skills, abilities, and mindsets are needed to perform the job. These practices help new employees understand what additional job knowledge and skills they need to further develop during the onboarding process. They take the mystery out of the performance management process because employees know what criteria will be used to assess their performance. When used in employee development programs, competencies also help employees to grow in their current job and in any future jobs to which they aspire. Given the goals of the HR Design process, we believe UW-Madison will benefit by implementing this approach.
3. Consistency and Interpretation—competencies are not used consistently. Because people have different definitions of competencies, they are often interpreted differently when used. In addition, they are not used across the “employee lifecycle.” This results in confusion and frustration.
4. Many managers/supervisors do not have tools and fundamental understanding of competency concepts and how to apply them.
5. Lack of standard—everyone is different, and jobs get built on minor differences rather than similarities.
6. A change in approach to training and ongoing HR staff development must occur if a competency-based approach is implemented.
7. An education process is needed upfront to bring people (decision makers) up to a level of understanding of what competencies are and the value they bring, how competency-based approaches “work,” and what needs to happen to make the approach successful.
Executive Summary of the Recommendation—Competencies Team

“Competencies are identified knowledge, skills, abilities, and mindsets, evaluated through demonstrated behaviors, which directly and positively contribute to the success of the organization and to the success of employees in their job role, position, and function.”

Competencies are not new; they have been used in many settings for more than 50 years. Today, they are widely used in human resource management.

Based on the study of competency-based approaches and what we learned about current practices, we submit these recommendations in three parts: The first set of recommendations answers the four guiding questions posed to the team. The second set proposes a competency-based HR system at UW-Madison. The third set addresses specific HR functions that could benefit from a competency-based approach.

1. ANSWERS TO GUIDING QUESTIONS

   a. How should competencies be used?

      We believe a core set of competencies should be used in all jobs to integrate the key HR and talent management functions of job design, recruitment and assessment, employee development, and performance management. Diversity and inclusion-related competencies should also be embedded in each campus job description.

   b. Should competencies be consistent across employee categories/roles? Across job families?

      We believe a core set of competencies should be used in all jobs. While competencies can be used to differentiate categories and job families, it is too early for us to make this recommendation. We do believe, however, that initial development of competencies should focus on critical employee categories and roles such as leader, manager, and HR practitioner.

   c. Should competencies be consistent across divisions?

      We believe that once a core set of organization-wide competencies is identified and embedded in all jobs, there should be flexibility at the division level to develop additional competencies that may be unique to that Division.

   d. What are some illustrative competencies for positions at UW-Madison?

      Individuals in the campus forums offered many ideas for organization-wide competencies. Those cited most frequently included communication, change management, customer service/service orientation, and diversity/inclusion. Several people also mentioned that competencies related to the mission and values of UW-Madison should be developed and required of all employees. Examples of how competencies can be illustrated in different positions are provided in the appendix.

2. RECOMMENDATIONS FOR A COMPETENCY-BASED APPROACH AT UW-MADISON

   1. Use a competency-based approach as a systemwide framework for attracting and retaining talent, increasing and leveraging diversity, and creating a high performing, engaged organization.

   2. Use competencies to integrate the key phases of the employee life cycle and to integrate the key HR talent management functions.

   3. Define core competencies that should be shared by all employees in order to unite all employees. Ensure that organization-wide competencies are not defined too narrowly to avoid excluding employees who are culturally different. Ensure that the process for defining competencies takes into account bias and impact on climate.

   4. Define and incorporate specific competencies for critical roles such as leader, manager, HR professional, researcher, etc.

   5. Ensure that core competencies are clear and transparent, and communicated to all employees, and that competency development is continually improved.

   6. To gain the benefits of a competency-based approach and to support successful implementation, provide necessary and sufficient training for competency developers, practitioners, and users.
3. **SPECIFIC RECOMMENDATIONS FOR KEY HR FUNCTIONS**

While these recommendations go beyond the scope of the Competencies Team, we believe that if a competency-based approach is used, competencies must be integrated across the critical human resource functions of job design, recruitment and assessment, employee development, and performance management. They should also be used to embed diversity expectations in all jobs.

**Job Design Recommendations**

1. Incorporate organization-wide and job-specific competencies, along with education and experience, as the foundation for job descriptions.
2. Use competencies to link jobs with similar titles together.
3. Use competencies to link job families together.
4. Use technology to make it easy to create and manage competencies in the job design process.

**Recruitment and Assessment Recommendations**

1. Incorporate organization-wide and job-specific competencies into the applicant assessment process.
2. Develop tools that support a competency-based approach. These include competency dictionaries, behavioral interviews, behavior-based selection processes, guides, employee training, educational programs, etc.
3. Use technology to support the implementation of competencies.

**Employee Development Recommendations**

1. Link professional development to specific competencies that must be mastered.
2. Align core management and leadership development programs with the competencies identified for these roles.
3. Provide tools and resources so employees understand and can assess their current and desired levels of competencies for positions they choose to pursue.

**Performance Management Recommendations**

1. Implement a comprehensive; integrated performance management process that reflects competencies related to the organization, role, and specific job. Include clear performance goals, routine performance updates, performance coaching, and performance review as key steps in the process.
2. Ensure that specific competencies, along with performance outcomes, are used during the performance appraisal and evaluation process.

**Workforce Diversity Recommendations**

1. Define diversity and inclusion as core organizational values, and define and include diversity and inclusion competencies in all position descriptions.
2. Develop campuswide competencies for special diversity-related skills and talents such as mentoring diverse students, language skills, and special skills required for working in diversity-related program areas.
3. Define specific management competencies that support creating diversity, leveraging diversity, and building inclusion.

**Recommendation Description**

The following **“Desired State”** for a competency-based approach to talent management and HR functions has been developed based on feedback from a number of campus engagement activities, as well as input from members of the Competency Team. It provides the framework for our recommendations:

- Competencies are used to integrate the various steps in the employee life cycle, integrate critical talent management processes, and unite employees across the organization.
- Competencies integrate the UW mission, vision and values into the work of all employees.
• Competencies are used to define individual jobs roles and functions.
• Because diversity is a core organizational value, diversity-related competencies are identified for every employee level and included in all position descriptions.
• The competency-based approach allows for flexibility at the school, college, and independent business-unit level; these organizations may develop additional competencies, but they cannot opt out of organization competencies.
• Competencies are clear and transparent, reflect well-communicated expectations for ALL employees, and promote growth and success.
• The competency-based approach is state-of-the-art, research-based, easy to use, well managed, and continually improved.
• Key practitioners (HR staff and managers) are trained in using competency-based practices.
• Career paths have been identified for job families and key job roles, and competencies are used to guide employee development in career paths.

At a minimum, we believe the following recommendations can help move the organization from its current state to the desired state.

• Use a competency-based approach as a systemwide framework for attracting and retaining talent, increasing and leveraging diversity, and creating a high performing, engaged organization.
• Use competencies to integrate the key phases of the employee life cycle and to integrate the key HR talent management functions.
• Define the core competencies that should be shared by all employees in order to unite all UW employees.
• Define and incorporate specific competencies in critical role-based positions such as leader, manager, HR staff, etc.
• Ensure that competencies are clear, transparent, and communicated to all employees, and that competency development is continually improved.
• Provide the necessary training for competency developers, practitioners, and users.

Similarly, a competency-based approach can help move the organization from the “Current State” to the “Desired State” for those critical talent management and HR functions:

JOBS DESIGN

Current State

• Two primary systems exist for categorizing jobs—classified and unclassified.
• Inconsistent processes are often used to analyze and define job class, descriptions, and titles.
• Multiple job titles represent in some cases similar roles and responsibilities, and similar job titles represent highly variable responsibilities.
• Significant “gaming” of the system can occur because of the numerous titles currently available.
• In many cases, job descriptions outline minimal requirements and not the differentiators that predict and drive individual job success.

Desired State

• A job classification system that employs competency models is an integral part of job categories and titles.
• Job-specific competencies are reflected in and define job descriptions and titles.
• Competencies differentiate levels within a role or function to support career ladders.
• Competencies define desired and exceptional performance, and are linked to the performance management process.
• Core competencies that reflect the mission, vision, and values of UW-Madison apply to all employees.

Recommendations

• Incorporate organization-wide and job-specific competencies, along with education and experience, as the foundation for job descriptions.
Use technology to make it easy to create and manage competencies in the job design process.

RECRUITMENT AND ASSESSMENT

Current State

- Pre-hire assessment is often inconsistent across campus.
- No standards or core expectations apply to all employees.
- In many instances, we assess for current needs, not future needs.
- Training is not routinely provided in how to assess applicants; some resources are available but not used consistently.
- The applicant assessment process is not always clear or transparent.
- Managers/supervisors are selected mostly on the basis of past experience in similar or related roles—the issue is “have you done it” instead of “how well you can do it.”
- Assessment processes often focus on education, prior experience and technical skills, not on knowledge, interpersonal skills, abilities, and mindsets.
- UW mission, vision, and values are rarely incorporated into the hiring assessment process.
- In many cases, position descriptions do not reflect the specific knowledge, skills, abilities, and mindsets needed for successful performance.
- Education and experience are the dominant methods used to determine applicant eligibility.

Desired State

- Hiring is based on credentials and competencies.
- Resources to assist with assessment such as competency dictionaries, interview builders and training, are available to all involved in the selection process.
- Initial assessment process identifies applicants’ potential to be successful and grow in their current position and to progress and/or be promoted.
- New employee assessments include competencies required to demonstrate mission, vision, and values, as well as those specific to the job or role.
- Competencies listed in the position description are the same used for performance management.
- HR staff members are knowledgeable of and available to assist units with developing assessment strategies that incorporate competencies into the selection process.

Recommendations

- Incorporate organization-wide and job-specific competencies into the applicant assessment process during recruitment and selection.
- Develop tools that support a competency-based approach. These include competency dictionaries, behavioral interviews, behavior-based selection processes, guides, employee training, etc.
- Use technology to support the implementation of competencies.
- Use the same competencies throughout the employee life cycle—from recruitment to performance management to employee development.

EMPLOYEE DEVELOPMENT

Employee Development Current State

- In many cases, it is not possible to integrate current learning needs with future development needs of employees.
- Development opportunities are often inconsistent and not presented in a user-friendly manner.
- The current development focus is mostly on the needs of current supervisors instead of employees.
- Development is not related to specific knowledge, skills, abilities, and mindsets that represent organization or job priorities.
- Development programs are rarely competency-related.
Desired State

- Career ladders exist for all positions or job families.
- All employees are expected to participate in development activities.
- All internal development programs identify the specific competencies they teach and support.
- The professional development process is easy to use and easy to access.
- Employees feel valued and empowered to develop additional competencies.
- Effective employee development furthers diversity and inclusion goals.

Recommendations

- Link professional development to specific competencies that must be mastered.
- Align core management and leadership development programs with the competencies identified for these roles.
- Provide tools and resources so employees understand and can assess their current and desired levels of competencies for positions they choose to pursue.

PERFORMANCE MANAGEMENT

Current State

- The performance management process varies across campus.
- A consistent process is not in place to compare performance over time, especially when people move to other units.
- In some cases, no performance management process is in place.
- Sometimes performance evaluation is seen as the same as performance management, which it is not!
- In many cases, employees do not get a formal, annual performance review.
- When performance reviews do occur, often they reflect issues or problems that should have been addressed before the performance review.
- Performance management is sometimes viewed as what managers do when there is a “problem employee.”
- Consistent documentation of performance is lacking.
- The inability to provide financial incentives is often used as an excuse not to recognize performance that exceeds expectations.

Desired State

- Employees understand that the annual performance review is one step in the performance management process; it is not the whole process.
- The integrated performance management process is grounded in specific job, role, and organization competencies and built into the employee life cycle.
- Institutional mission, vision, and values are reflected in the performance management process. Divisions and departments develop their own unit missions, vision, and values to the performance management process if they choose to do so.
- Annual performance reviews occur at all levels of the organization for all employees.
- Gaps in knowledge, skills, and abilities are identified in the performance management process and educational and developmental opportunities are available to fill gaps.
- The performance review process includes goal setting for the next year so employees and supervisors are on same track/career path and supervisor can assist if employees encounters barriers (mentor and coach opportunity).
- Incentives are in place for implementing the performance management process and consequences for not doing so.

Recommendations
• Implement a comprehensive; integrated performance management process which reflects competencies related to the organization, role, and specific job. Include establishing clear performance goals, routine performance updates, performance coaching, and performance review as key steps in the process.
• Ensure that specific competencies, along with performance outcomes, are used during the performance appraisal and evaluation process.

WORKFORCE DIVERSITY

Current State

• The campus needs a clear definition about what diversity means and which groups are “in” and which are “out” of the definition.
• Diversity efforts are not integrated into an institutional strategy; each unit does its own thing.
• Lack of diversity progress and fatigue with diversity efforts causes ongoing frustration.
• Staff lack knowledge about what works and what does not (leading practices) to create and sustain a diverse workforce.
• Diversity tensions exist in the workplace because of perceptions that different groups are held to different performance standards.
• Majority group members sometimes feel as if they are walking on eggshells when interacting with members from some members of underrepresented groups.
• Some underrepresented group members report that they often feel that they are viewed as “tokens” or “countable minorities,” and that they are expected to represent their social identity group.

Desired State

• Diversity and inclusion are identified and embraced as core organizational values.
• A clear, institution-wide definition and strategy for diversity will enable diversity-related competencies to be developed.
• Leadership and management at every level understand the value of and support diversity in words and actions.
• Diversity competencies are incorporated into all jobs and roles.
• All groups are held to the same performance standards.
• Focus is on both increasing diversity and leveraging (“taking advantage of”) diversity.
• Key focus is on creating an inclusive culture so that all employees feel a part of campus life and are able to contribute and perform at their best.
• The approach to diversity well-positions UW-Madison for projected demographic population shifts and leads to a more equitable society.

Recommendations

• Define diversity and inclusion as core organizational values, and include both competencies in all position descriptions.
• Define specific management competencies that support creating diversity, leveraging diversity, and building inclusion.

How does the recommendation address significant current issues?

Because UW-Madison has not institutionalized a competency-based approach, two key current issues frame our thinking:

a. The preponderance of leading academic institutions and private organizations that use competency-based approaches in their talent management practices.

b. Competency-based approaches have been demonstrated to be one of the best and most effective methods for identifying and retaining talent.

Implementing a competency-based approach would address these issues.

Indicate how the recommendation reflects thoughtful design principles.
Efficiency: *Each process, step or rule adds value and can be accomplished in a timely way.*

When effectively done, competency-based approaches can be more efficient than other practices. They eliminate the need to recreate or duplicate job design processes, they simplify new hire assessment processes, they provide clarity in the performance management process, and they focus employee development activities.

Flexibility and Responsiveness: *Processes can be adapted to a broad range of situations and allow for ongoing improvement.*

Competency-based approaches can be adapted to a broad range of situations and HR functions. These include job design, new hire assessment, employee development, and performance management.

Alignment: *Components of the design support one another across the employee lifecycle.*

Competencies might be the only set of attributes that align the various steps and phases of the employee life cycle. They also may be the only set of attributes that align and unite employees in the organization.

Consistency: *Policies and processes are common to as many employees as possible unless required by a business need.*

We recommend that a few core competencies be identified for all jobs on campus, and that critical roles (such as leader, manager, HR, etc.) share some common competencies.

Transparency: *Processes are driven by guidelines that are clearly communicated.*

A well-implemented competency-based approach must be transparent and easily accessible by all. We support this and will ensure that this is the case if these recommendations are embraced.

How does the recommendation promote our workforce and community of the 21st century?

Diversity: We seek to create a community that draws upon the ideas, experiences, and perspectives of a diverse workforce and promotes an inclusive culture.

A key issue for UW-Madison is how broadly diversity is defined. While UW-Madison has a legal obligation to ensure that its hiring practices treat individuals from traditional underrepresented and social identity groups fairly and equitably, this obligation is only a minimum standard. It does not provide a distinct advantage. To achieve a distinct advantage, diversity must be defined more broadly to include the range of human qualities that affect and influence how people define themselves, how they are perceived, and how they behave. Then, a welcoming environment that capitalizes on these differences must be created. The mere presence of human differences does not mean that diversity is being leveraged or viewed as an asset. To capitalize on people diversity, an inclusive environment must be created. This allows the organization to leverage the strengths and talents of all employees.

To create and sustain an inclusive culture, each person in the organization must be clear about her/his role and responsibility related to this goal. We recommend that diversity be embraced as a core organizational value and that specific and relevant diversity competencies be established for each job in the organization to help all employees understand how they can contribute positively to an inclusive culture.

Demographic trends favor organizations that value diversity. UW-Madison can be a trailblazer for capitalizing on diversity and creating an inclusive work climate. Much of our success as an institution comes from our position as a leader—other colleges often follow us. We can be a leader in this area! Diversity might be a key to achieving all the other goals of the new HR design because it leads us toward a more equitable society, which is a major part of the university’s mission.

Engagement: We seek to foster trust and commitment in employees and support their development.

A competency-based approach supports employee engagement because it ensures that employees are clear about what they need to know and do in order to be successful.
**Right Talent and Fit:** We seek to attract, develop, and retain talent needed to sustain and continually improve a world-class university.

A competency-based approach requires managers and those involved in the talent management process to make sure the right individuals with the right skills are hired and it supports continual development of individuals at every organization level.

**Adaptability:** We seek to create a culture that fosters a shared ability to embrace and respond to change.

A key competency at the individual level should be change management. We recommend that change management be embraced as a core competency across all jobs. This will help foster a shared ability to understand, embrace, and respond to change.

**What major alternatives were considered?**

While competency-based approaches can be applied to any HR function, competencies work best when they integrate different elements of the HR system. To this end, we rejected the idea that competencies be applied to only one HR function such as compensation only, or performance management. If the recommendation for a competency-based HR system is accepted, then at a minimum, competencies should be used to integrate the critical HR functions of job design, recruitment/assessment, workforce diversity, employee development, and performance management.

**Were there dissenting opinions?**

While team members often had different opinions about the issues discussed, no strong dissenting opinions that warrented a “minority opinion” section in this report.

**What are the dependencies and interdependencies with other work teams?**

Competencies in and of themselves are just a concept. They add value only when they are used to enhance or propel a function or a set of activities. Because of this, our recommendations for a competency-based HR approach assume that critical HR functions such as job design, recruitment/assessment, performance management, employee development, and workforce diversity are the real beneficiaries. These are functions with strong interdependencies.

**What development or implementation challenges do you anticipate?**

To implement a competency-based approach, the following implementation challenges are possible:

a. How to stage the development and rollout of a competency-based approach throughout critical HR functions and the employee life cycle? An organization the size of UW-Madison will benefit from a multistage process that is spread over several years. This will minimize potential resistance to a competency-based approach.

b. Who assumes leadership and followership in managing the rollout of a competency-based approach? An organization structure with clear roles needs to be created.

c. How to strengthen trust between managers and employees? Feedback from listening sessions indicated that employees are skeptical of managers’ abilities to assess employees fairly and consistently. This poses a significant challenge in implementing a competency-based approach.

d. How to solicit broad ownership in a competency-based approach? If competencies are identified for all jobs, then a process that engages as many employees as possible must be used to identify these competencies.

e. How to educate all stakeholders in the competency-based approach? Using competencies effectively is a discipline that must be learned. Providing the appropriate type of education for all employees will be important to ensure successful implementation. Special attention must be given to the educating managers and HR staff so they understand and can master the discipline of competency management.

f. How to ensure accountability after implementation? For the approach to remain viable, it will require continuous improvement. Clear lines of accountability must be in place for maintaining and improving the process.

g. How to ensure flexibility of design? Given the decentralized management structure and culture of UW-Madison, the approach must be flexible.

h. How to provide adequate resources? While many competency dictionaries and other tools supporting competency-based HR applications already exist, a successful rollout will require some investment of staff time and potentially, some financial resources.
i. Do leaders and managers have enough will power? Finally, the key question is how much social capital are leaders and managers willing to invest to move the organization toward a competency-based HR approach and guide its implementation? What will it take to get all levels of leadership to embrace a competency-based approach?

**What change management challenges are anticipated?**

For many employees, the current system works just fine. Thus, any type of change is likely to generate some degree of fear, resistance or skepticism. Some employees may have the mindset that “we tried that and it did not work.” Others may not buy into the approach because they think it will require too much work. Some employees may have reason to fear and distrust UW-Madison /the State of Wisconsin as an employer, given the current political environment.

A big challenge might be moving from the mindset held by some of a “corrective discipline system” (i.e. ranking employees as good and bad), toward a system that fosters, nurtures, and develops employee skills and talents.

**A number of strategies will help minimize these challenges.**

- Involve employees in the identification and selection of competencies.
- Give employees tools to help them understand and apply competences to their work setting.
- Provide education on helping individuals to successfully deal with organizational change and the stress of change.
- Provide a comprehensive, shared change model so that change is approached in a consistent, predictable way.
- Provide communication—answer the questions of “who, what, when, how, and why.”
- Ensure top-down support and buy-in—this is critical to successful implementation of any initiative.
- Show positive results of the change—demonstrate how it will affect the organization and employees in positive ways.

**What is the impact of your recommendation?**

The recommendations proposed for an integrated, competency-based approach to talent management will affect many critical HR management processes. Specifically, the approach will affect the employment assessment process during recruitment and selection, the new employee orientation and onboarding process, performance management, and employee development.

**Open Questions**

There are no open questions at this point.

**SUMMARY**

We believe these recommendations will help in achieving these **internal** outcomes:

- Unity of purpose across UW-Madison.
- A culture of fairness, one that embraces and promotes employee development.
- A culture in which employees feel positive, engaged and supported at all levels of UW-Madison.
- All employees are able to grow and realize their career potential.
- Demonstrated investment in employees.
- Competent managers are institutionally aligned.
- AHR functions and strategies are aligned with the mission and vision of UW-Madison.
- HR staff members are comfortable with providing leadership and support in all aspects of talent management.

They can also assist in achieving these **external** outcomes:

- UW-Madison is a model for others.
- The people of the State of Wisconsin have confidence in UW-Madison; they see the university as adding value, being efficient, and effective.
Appendices showing various documents related to competency-based approaches:

1. Appendix 1: Diagram illustrating the recommendations for a competency-based approach at UW-Madison
2. Appendix 2: Example of a competency dictionary with examples of organization-wide competencies
3. Appendix 3: How A Competency May Be Applied Across Different Jobs
References

Building Robust Competencies by Paul Green

“Competence Is What Matters,” Tina Teodorescu and Carl Binder, Performance Improvement, Volume 43, No. 8


Reinventing HR: Changing Roles to Create the High Performance Organization, Margaret Butteriss, editor, John Wiley & Sons, 1998

“ROI of Competence Technology,” Workitech, Inc., 2005


The HR Design Competencies Team reviewed competency-based practices in more than 20 higher education institutions and in several other organizations in the public and private sectors. Several links to higher education institutions that provided strong examples of competency-based approaches:

- New York University:
  http://www.nyu.edu/content/dam/nyu/hr/documents/performance/PerfCommOverview.pdf

- University of Alabama:
  http://hr.ua.edu/Competency/UACompetency.html

- University of California at Berkley:
  http://hrweb.berkeley.edu/learning/manager-supervisor/competency-models

- University of Michigan:
  http://hr.umich.edu/voices/docs/Leadership_Competencies_(2).pdf

- University of Virginia:

- Stanford University:
  http://advancingexcellence.stanford.edu/competencies

- Tufts University:
  http://hr.tufts.edu/1172048104448/Human_Resources-Page-hr2_1181821419392.html
APPENDICES: ILLUSTRATIONS OF RECOMMENDATIONS FOR COMPETENCY-BASED PRACTICES

APPENDIX 1:

Recommendation for a Competency Based Approach
At UW-Madison - OVERVIEW

Definition of Competencies: Competencies are identified knowledge, skills, abilities, and mindsets, evaluated through demonstrated behaviors, which directly and positively contribute to the success of the organization and to the success of employees in their job role, position, and function.

HR Design Competencies Team. May 2012
APPENDIX 2:

COMPETENCY DICTIONARY ILLUSTRATING EXAMPLES OF ORGANIZATION-WIDE COMPETENCIES

(for illustrative purposes only)

This dictionary provides examples of competencies that could contribute to organizational and individual success at UW-Madison. It is designed to accomplish these goals:

- Integrate the various steps in the employee life cycle—attracting, retaining, developing, advancing, and transitioning.
- Integrate the critical talent management processes: employee branding, recruiting, selecting, onboarding, managing performance, developing, and retaining employees.
- Unite employees across the organization.

“Competencies are identified knowledge, skills, abilities, and mindsets, evaluated through demonstrated behaviors, which directly and positively contribute to the success of the organization and to the success of employees in their job role, position, and function.”

Knowledge: what a person is aware of; information known within a content area typically from facts, education, and experience

Skills: the how-to’s of a role; doing physical or mental tasks; capabilities that can be transferred from one person to another

Ability: being able to or having the potential to perform; sometimes used interchangeably with talent

Mindset: demonstrated behaviors that reflect attitudes, beliefs, values, perceptions, etc., necessary for job and organization success.

Other Key Definitions Related to Competency-Based HR Practices

- **Competency identification**: the process of discovering competencies critical to organization and job success.
- **A competency model**: the framework used to define and prioritize competencies needed to perform a particular role or job, often the result of rigorous competency identification.
- **A competency dictionary**: a listing of and complete description of the various competencies used for each job, position, or role.
- **Competency assessment**: the process of comparing an individual to an existing competency model, which can be done by various means—one of the most useful being full-circle, multi-rater assessments.
- **Competency guides**: workbooks and tools which allow employees to assess themselves relative to a predefined set of competences. Guides are often used to support employee development.
EXAMPLES OF ORGANIZATION-WIDE COMPETENCIES (continued)

COLLABORATION

**Definition:** Develops cooperation and teamwork while participating in a group, working toward solutions that generally benefit all involved parties.

**Behaviors:**
- Demonstrates respect for the opinions of others.
- Identifies and pushes for solutions in which all parties can benefit.
- Helps and supports fellow employees in their work to contribute to overall university success.
- Shares information and own expertise with others to enable them to accomplish group goals.

CONTINUOUS LEARNING

**Definition:** Demonstrates eagerness to acquire necessary technical knowledge, skills, and judgment to accomplish a result or to perform job more effectively.

**Behaviors:**
- Keeps up-to-date on current research and technology in one's work focus and identifies and pursues areas for development and training that will enhance job performance.
- Takes responsibility for one's own development.
- Maintains fluency in appropriate work applications, software, or tools.
- Continually looks for ways to expand job capabilities.

QUALITY

**Definition:** Produces results or provides service that meets or exceeds university standards.

**Behaviors:**
- Shows concern for quality, accuracy, and completeness of work activities.
- Plans own work activities in advance to ensure that all assignments are completed in a timely and quality manner.
- Personally seeks to add value in every work assignment.
- Notices opportunities to improve quality and takes action to do so.

SERVICE

**Definition:** Demonstrates strong commitment to meeting the needs of co-workers, faculty, alumni, managers, students, parents, or community members, striving to ensure their full satisfaction.

**Behaviors:**
- Asks questions to identify the needs or expectations of others.
- Considers the impact on the external or internal customer when taking action, or carrying out one's own job responsibilities.
- Looks for creative approaches to providing or improving services that may increase efficiency and decrease cost.
- Takes personal responsibility for resolving service problems brought to one's attention.

(DIVERSITY-RELATED COMPETENCIES)
Managing Relationships across Differences

**Definition:** Interacting and partnering effectively with individuals when core social identities are different

**Behaviors:**

- Can recognize and avoid using language and demonstrating behaviors that are prescribed as offensive, harassing, or otherwise unacceptable.
- Understands how bonding with one’s own social identity groups may exclude or be perceived as excluding others and is willing to make some effort to communicate with and include people who are different.
- Know how to recognize the prejudices, biases, and stereotypes about others which are personally held or held by the identity groups to which one belongs.
- Can communicate with and influence others across social identity group differences in positive and nonoffensive terms.

CULTURAL AWARENESS

Definition: Demonstrates an open-minded approach to understanding people regardless of their social identity memberships; treats all people fairly and consistently; effectively works with people from diverse backgrounds

**Behaviors:**

- Recognizes cultural differences among people and effectively works to bridge cultural gaps
- Treats all people with dignity and respect regardless of background
- Effectively works with people of diverse backgrounds regardless of personal differences that may exist
- Avoids making statements that may offend or hurt others from different backgrounds
- Considers and honors different opinions, styles, and ways of working
- Responds to and directly addresses comments and actions of others that reflect stereotypical views of people

GENERAL DIVERSITY

**Definition:** Supports and promotes an environment that holds opportunities for all, regardless of race, gender, culture, and age

**Behaviors:**

- Enthusiastically works with all employees at all levels, capitalizing on their strengths
- Actively seeks opinions and ideas from people of varied background and experiences to improve decisions
- Values and incorporates contributions of people from diverse backgrounds
- Seeks information from many different sources before deciding on own approach
- Demonstrates respect for opinions and ideas of others
**APPENDIX 3:**

**How One Competency May Be Applied Across Different Jobs**

Sample - For Illustrative Purposes Only

---

**Shared Written Communication Competency**

*Expresses information in a clear, succinct manner using proper grammar, punctuation, and spelling.

*Uses appropriate writing style consistent with organizational guidelines and norms.

*Uses appropriate medium (e.g., email, letters, reports, charts/graphs or other aids) depending on the information being communicated.

*Organizes information so that facts or ideas build upon one another to lead the reader to a specific conclusion.

---

**Employee who Prepares Technical Reports**

*Uses graphics and other aids to clarify complex or technical information.

*Accurately proofreads reports for grammar, punctuation, style, and spelling.

*Breaks down a complex concept so it is easily understood by the target audience.

*Conveys complex ideas in a logical sequence that others can understand.

*Adapts the content, tone, style, and form to suit the needs of the audience, the subject, and the purpose of the communication.

**Employee who Provides Customer Support**

*Assists others in comprehending written information and directions so they can take appropriate action.

*Communicates information effectively by email, or other methods, providing clear instructions or information.

*Ensures that regular consistent communication takes place within area of responsibility.

*Demonstrates a keen ability to recognize when others are having difficulty understanding his/her messages and adapts style appropriately.