

Competency-based Talent Management: Developing Your Brand



Successful companies go through painstaking efforts to develop and market a specific brand to generate and keep customers and market share. When you think of brands such as Toyota and Starbucks, specific brand images come to your mind that likely include comfort, safety, convenience and quality. Companies are now finding that brand differentiation is more than a unique product line and slick marketing; the real brand differentiator is their people.

A company's talent is the secret sauce of a sustained Brand. If you look "behind-the-curtain" into the company behind any strong and sustained brand you will likely see an integrated and aligned set of talent processes that are fueled by clear competencies.

So, how do organizations create talent brands? First, they define clearly what sets their most successful people apart in how they achieve business objectives. Next, they replicate and reinforce that brand in each of their talent management practices. This is where competency modeling comes into play - a convenient process that enables organizations to establish their unique people brand by defining and socializing performance expectations, thereby capturing and communicating the aspects of a job that uniquely define success. An organization who successfully implements competency models in their talent management practices fuels the company with the talent necessary to execute the strategy and Brand promise.



Competency Models are the Foundation of an Integrated, High-Impact Talent Management Process

Competency modeling establishes a common performance language and set of behavioral expectations that help integrate talent processes, such as <u>selection</u> <u>systems</u>, <u>leadership development programs</u>, and performance management. When applied and utilized consistently, competency-based talent management systems enable organizations to create a unique and compelling brand through people.

"Competencies operate as the hub of a high functioning talent system, aligning all the talent selection, succession, reward and development activities needed for successful company performance."

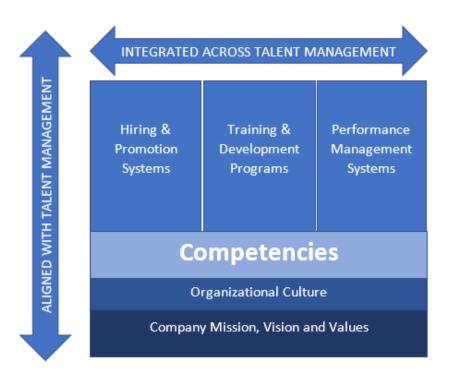
Joe Frodsham, President, CMP

As shown in Figure 1, talent management systems – Hiring & Promotion Systems, Training & Development Programs, and Performance Management Systems – are most impactful when resting on a foundation of competencies that are linked and aligned to the business and integrated across systems. Alignment with a company's mission, vision, values and culture improves potency as the more aligned a people process is with the business, the more the impact is direct and lasting.

Simply put, when using competencies as the framework, a company's talent management systems are more integrated through the consistent performance language, creating greater adoption and consistency in utilization.



Figure 1 – Talent Management Alignment and Integration



Let's explore closer how competencies support the business, serve a practical purpose, and vastly improve talent selection and development.

Competencies Support Business Needs

Competencies are reflective of the objectives and goals of the organization. For example, I developed a leadership competency model for a start-up restaurant company that was growing quickly and had a very entrepreneurial culture. Their model at that time in the company's maturity reflected the ability of leaders to drive growth, manage change, develop future leaders and take risks, among other competencies. An assessment was implemented in the selection process to measures how well candidate behaviors and tendencies fit the competencies. The organization was now well-positioned to select, promote and develop leaders who fit the business need.

As the business, goals and objectives change, the competency model may change as well. In fact, as the company matured and growth stabilized, a later revision to the restaurant's leadership model deemphasized innovation and risk-taking and focused more on consistent execution and operations management. The <u>alignment of competencies</u> with business current objectives ensured talent selection and development stayed linked to the business in a meaningful way.



Competencies Serve a Practical Purpose

While an important foundation for talent processes, competencies also add value as a performance communication vehicle.

"Without a common talent framework and language, there is confusion and non-alignment. Clear competencies offer company leaders a consistent way to view, discuss and make people decisions in an informed and equitable manner."

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When competencies are developed with the involvement of key stakeholders and practical considerations of the end user (hiring manager, HR manager, etc.), and implemented through training and certification, the impact of the competencies increases dramatically. Through consistent utilization of competency-based talent systems, organizations reap maximum benefits and return on investment from:

- Lower turnover rates due to better selection
- Higher internal promotable rates through strong leader development
- Stronger bench strength through <u>performance-based succession planning</u>

Competencies Focus Selection and Development Practices

Aligning the processes for hiring and developing talent with the unique skills, behaviors and attributes identified through competency modeling enables organizations to select and develop their unique brand ambassadors. In the prior example, as the competencies changed over time, adjustments were made to the selection and development tool set. For example, the pre-employment selection assessment was updated to reflect the change in competencies.

How? Well there is much that goes into making such adjustments from an assessment science standpoint. Companies who work with qualified assessment firms will benefit from the use of assessments in talent selection and development to support the different stages of a company's growth cycle. A properly validated and thoughtfully implemented assessment program for selecting "right fit" talent is the strategic choice for many organizations seeking to define and elevate their talent brand.

From a developmental perspective, personality assessment tools and 360 degree surveys can help provide employees with a better understanding of their own



strengths and gaps as they relate to the competencies needed for success. Using these tools provides leaders and stakeholders with feedback on how their innate characteristics may influence their job performance as defined by the competency model. This feedback can then enriched with targeted coaching and development. Most importantly, leaders who solicit feedback and learn how others perceive them can effectively fine tune their approach to be more aligned with the brand.

Final Considerations

When effectively integrated into talent processes, competencies make the job of hiring leaders and talent managers easier, not harder. And, your success rate for hiring and onboarding goes up significantly – the ROI is clear. This is important to keep in mind if you are the one championing a competency-based talent management approach. In addition, when considering competency models as a talent brand definer, it is important to manage the change. Implementing a competency model introduces a change that should include engagement of key stakeholders.

Bottom line -- When well-executed, competency models can define and infuse an organization's talent brand, directly impacting your performance as an organization.

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