

**A Whitepaper:
*What Are Competencies, and
Why Should You Use Them?***

By

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Pick up any college textbook on HR management, and it will likely begin with a chapter to define HR and then the next chapter will usually describe job analysis, and its product the job description, as the foundation of all HR. In theoretical terms, every function of HR is based on job descriptions. Job descriptions literally describe the work to be done. They are the foundation for recruiting, selecting, appraising/evaluating, rewarding, training, development and disciplining workers.

But everyone knows that job descriptions are not perfect. They tend to be written based on the activities or duties performed—thus stressing work process—but do not make those activities or duties measurable. For instance, a typical secretary’s job description might note that secretaries “type letters.” “Typing letters” is a work activity, a process. But job description rarely indicate how to measure the success. Nor do they account for individual differences.

Increasingly, the person doing the job is as important—and perhaps more important—than the activities they perform. Consider: would you rather have a medical doctor who treats you with empathy or one who treats you like a piece of meat? The answer should be clear. But where on a medical doctor’s job description would it indicate that he or she should “treat patients with empathy.” Job descriptions rarely indicate the personal characteristics essential to good performance in doing the work.

What is a Competency?

A *competency* is a characteristic of a person who is successful or outstanding in the work that he or she does.

A competency model, unlike a job description, describes the characteristics of people who are successful doing the work. It is worth emphasizing the point that *job descriptions delineate work*, but *competency models describe people*. Each worker carries around competencies. The real issue is matching the people with the competencies to spots in the organization where they can successfully demonstrate what they are best at doing.

Of course, another problem with job descriptions is that they date quickly. Since they are activity-oriented, technology—and other factors in today’s dynamic workplaces—render job descriptions obsolete almost the moment they come out of a printer. But competencies, since they describe human beings, are relatively enduring.

Why Are Competency Models Important?

Job descriptions literally describe the shared work of a job category. For instance, all secretaries share some work activities in common.

But individuals are different in what they can do. While it is sometimes said that “all people are created equal,” the reality is that not everyone is equally talented at everything. (If you think everyone is equal, then we should all be able to paint like Picasso, do mathematics like Einstein, or compose music like Mozart.) Some people are simply more talented at some things than at others. They have special competencies—which may be regarded as talents.

The research indicates that some outstanding performers may be able to produce as much as 20 times the measurable results of “average” performers in the same job. That means that some salespeople might be able to sell 20 times more than the average salesperson!

You can imagine what CEOs say when they hear that. They will say “HR, get us more of those people who produce 20 times the average.” CEOs realize that fewer people with qualitatively different competencies may be able to outproduce much larger workforces—at a fraction of the cost.

Using competencies has profound implications for HR. It may mean that sweeping reviews need to be made of all HR functions. In other words, managing for competencies may require fundamentally new ways of thinking about recruitment, selection, compensation, benefits, training, appraising, and disciplining workers.

Biosketch of the Author

William J. Rothwell, Ph.D., SPHR, CPLP Fellow is a Professor on the University Park campus of Penn State. He leads a graduate emphasis in Training/Organization Development. Before arriving at Penn State in 1993, he was an HR professional for nearly 20 years and headed up HR efforts in a State government agency and then led a comprehensive Management Development program at a large insurance company. In addition to serving as a professor, he is also President of Rothwell & Associates, Inc., a consulting firm. He has authored, coauthored, edited or co edited over 300 books, book chapters and articles—including 87 books.