

A STRATEGY FOR MAXIMIZING ORGANIZATIONAL OUTCOMES

INTEGRATING STRENGTHS AND COMPETENCY DEVELOPMENT



To learn more about how Gallup can help your organization integrate competency and strengths-based development programs to maximize organizational outcomes, email Stephanie Holgado at [gallupanalytics.com](mailto:stholgado@gallup.com) or call 202-715-3101.

INTEGRATING STRENGTHS AND COMPETENCY DEVELOPMENT

Clients often ask our consultants, “How can Gallup’s strengths-based development approach be aligned to, or integrated with, our competency development approach?” Another question they often ask is, “How do we know if our competency programs are effective or will achieve the results we desire?” The purpose of this white paper is to answer these two questions.

For our clients, Gallup strongly advocates the use of well-developed and effective competency development programs. A competency, by definition, is something “proven to drive performance that can be developed.” When correctly designed and implemented, a competency development program serves as an excellent mechanism for establishing and communicating clear job expectations. When developing technical and professional functions, in particular, these programs help establish clearly defined learning paths for acquiring requisite domain expertise. Competency development programs also provide an effective framework for performance assessment, management, and improvement.

However, many competency programs struggle to stay on track. They start with the best of intentions but then veer off course as they evolve. Organizations begin with a few strong “core competencies” that quickly turn into a laundry list of vaguely defined and immeasurable items. Employees who are expected to become everything on this wish list suffer as a result. The outcome is dysfunction, and performance can decline. We often see competency programs turn into remedial programs in no time. That said, several

organizations have managed to put rock-solid competency programs in place — programs that engage employees and fuel financial growth. What are they doing differently?

DEVELOPING EFFECTIVE COMPETENCY PROGRAMS

Gallup has found that organizations that develop effective competency programs follow some simple rules. They define the right competencies by grounding the program in rigorous science, and they identify and define competencies that can be improved with training and other developmental activities; in other words, they focus on what’s teachable. Additionally, instead of assessing what employees can do, they identify what employees will do — naturally — based upon the talents they bring to the role. And, they ensure the program will be applied consistently across locations, departments, and workgroups within the organization.

- 1. Defining the Right Competencies:** Competencies must be put to the test. For example, if an organization has a hunch that setting clear expectations should be a core competency for managers, then the organization should survey as many employees as possible, asking if their managers set clear expectations. The organization should then compare these data with real performance metrics — for example, customer engagement, retention, or productivity. If the organization finds a significant correlation between managers setting clear expectations and higher performance on the job, then it should consider “setting clear expectations” as

an effective competency. If no significant relationship exists between the competency and performance metrics, then the organization should not use the competency. Collecting these data to develop and support a competency program can be very challenging, but it is worth the effort. Performance management becomes more relevant and defensible when tied to business outcomes.

2. Focus on What Is Teachable: Performance management and employee development work best in environments where managers set measurable outcomes and let their employees' talents lead the way. A competency-based development program, therefore, should begin by identifying each person's unique, natural talents (those behaviors that remain stable over time and that cannot be taught) in order to produce quick results. These talents can then be enhanced with knowledge and skills. Knowledge consists of facts and lessons learned, such as workplace rules and policies. Skills are the basic steps of a job or task, for instance, learning to use macros in a computer program. When competency programs focus on behaviors rather than outcomes, it forces employees to spend time in areas where they do not have natural talent. Effective competency programs set measurable outcomes and expect and encourage employees to reach those outcomes using their natural talents, teaching them knowledge and skills along the way.

3. Weight "Will Do" More Heavily Than "Can Do": In competency programs that prescribe how employees should behave, it is rare to find an activity listed that any person in that position *cannot* do. Most reasonable people can find it within themselves to "work collaboratively," "think strategically," or (one of our favorites) "lead with humility." But *will* the person do it? That question can be answered reliably only when we know the individual's naturally recurring patterns of thought, feeling, and behavior. The fact that someone *can* do something is no indication of how often, how well, or how readily they will do it.

4. Ensure Consistency: Consider the case of an executive at one of our client organizations. In the previous year, his manager had assessed his "learning agility" as extraordinary. Then, he moved to a new department only to have his new manager assess his "learning agility" as rather dismal. Could this executive's ability to quickly learn and assimilate new information simply have disappeared? On what basis was this new manager assessing "learning agility," which certainly would be a trait, rather than a state? And why did this organization establish a competency program that has managers assess who the person is, rather than what he or she does and does not accomplish? Can the organization reasonably expect to change someone's "learning agility" through such feedback? Such arbitrariness about traits that can be measured only through scientific assessment is damaging, demoralizing, and certainly a waste of time and money.

Ineffective competency programs often do not adequately define and highlight measurable performance outcomes. Too often, these programs focus on dictating behaviors thought to produce the desired outcomes, rather than focusing on the outcomes themselves. Most managers would agree that two employees can reach comparable outcomes using vastly different approaches. Our experience shows that competency programs should hold individuals accountable for clear outcomes and results, and not for the manner in which they achieve these outcomes.

BEST PRACTICES

Gallup's clients often wonder how their own competency programs, which serve as developmental tools within their organizations, can or should work alongside Gallup's strength-based development initiatives. Gallup's strengths-based developmental tools, such as the Clifton StrengthsFinder, do not take the place of a competency development program, but they can certainly work to enhance the program. When the program begins with a focus on an employee's individual talents, it builds a solid foundation to hold the employee accountable for each competency. With such a foundation, employees and their mentors and managers can find efficient ways to become

more productive. Rather than focusing on what individuals aren't doing, this approach leverages individuals' instinctive responses to various circumstances and opportunities.

Competency development programs and strengths development programs exist side by side at Gallup. Although we do not use the term "competency" to describe our own in-house development programs, competency development is pervasive within our organization. For example, our employee engagement program is by definition a competency program in that it "drives performance that can be developed." The program is based on 12 core competencies that drive employee engagement (a measurable performance outcome). Managers are held accountable for increasing employee engagement using these 12 competencies. Gallup also has defined leadership competencies that have been proven empirically to link to measurable leadership performance outcomes. In this program, Gallup expects its executives to improve on competencies known as the Demands of Executive Leadership to accelerate their development in becoming great leaders.

Because every organization's competency program is unique, Gallup consultants work with each organization to develop a plan that maps all of the Clifton StrengthsFinder themes to the organization's competencies. Then, managers can discuss the effect of each employee's talents in relation to the competencies required for success on the job. For example, if customer service is one of the client's competencies, Gallup can explain how each Clifton StrengthsFinder theme contributes to success in that competency. For instance, an employee with *Input* as a Signature Theme may acquire knowledge about the customer and the organization in order to help the client. An employee with *Relator* as a Signature Theme may use personal connections with customers to uncover their needs. Any type of talent can help an individual achieve a successful outcome; however, the path each employee takes to reach success will depend on his or her unique natural talents.

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