Chapter 6.1
Competency Management Systems and Technologies

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ABSTRACT
Learning processes are essential in building individual and organizational competencies and transfer of learning and knowledge among individual and organizational learning space. Several types of learning technologies are now available for systematic building of individual and organizational competencies through formal and non-formal learning processes. This chapter examines the need for competency-based management systems that provide organizations with opportunities to implement such learning processes through Web-based e-learning technologies that are conducive for creating and building systematic knowledge transfers across individuals and groups. It is argued that the transfer of knowledge, learning, and learning interactions through such technologies is a seamless process that reinforces the continual renewal of knowledge and learning through appropriate management systems. Such systems are created by deliberate interventions for individual and organizational learning and should be context- and content-specific.

INTRODUCTION
Why is Learning Important?
Learning is the initial and subsequent acquisition of capability that allows individuals and organizations to plan, organize and perform particular tasks and actions. Human beings, by their nature, are inquisitive about the unknown and are eager to upgrade their skills in performing various tasks with confidence. They are adaptive creatures who are capable of learning and imitating (Carroll et al., 2002). Different individuals learn using different methods. Some learn by reading,
conceptualizing, and observing, whereas others learn by trial and experimentation.

Learning is essentially a tool to acquire and build competencies. With learning, individuals respond to the changing conditions and deal with new challenges and fulfill aspirations. Learning is also a fundamental process to quench the thirst for knowledge. Learning takes place at all times throughout human life. Through learning, individuals build the character and the confidence to acquire skills that are useful and marketable. Certain things can be learned through compulsion, such as having to work in an unfamiliar organization. Several behavioral, cognitive, and constructivist theories have been proposed to explain why and how individuals learn. Individual learning contributes to collective organizational learning and to building organizational competencies and facilitating growth. Learning is also seen as a reliable process by which organizations can identify, deploy, and build on existing capabilities, as well as planning to build future competencies. Without learning, individuals and firms are like insects without antennae.

Learning needs to take place at all levels in an organization. Even chief executive officers of organizations have to undergo the process of learning. As long as an organization continues to evolve and undergo changes, learning has to take place. Winter (2000) argues that the process of learning is a series of online trials interspersed or alternated with variable periods of off-line deliberations and analysis. In this way, a firm will draw on multiple sources of knowledge interspersed with various individuals and organizations. Individuals in a firm are expected to churn this knowledge into discrete experiences through reflection and action.

How individuals learn is an important topic that has been explored over centuries. Aristotle (384 - 322 BC) emphasised a balanced individual development that requires nourishing body, mind and soul. Learning is focused on individuals who are capable of learning, and consequently the process requires investment from individuals as well as organizations. Firms are compelled to invest in both financial and human resources to acquire necessary capabilities when they do not already possess those capabilities. Some countries, for example, Australia and Germany, have adopted legislation to impose compulsory training levies from organizations in order to train employees and thereby provide more places for apprenticeships for young people entering the labour market. In Australia, the building and construction industry training levy is payable before a building proposal is granted. Some countries, however, resort to voluntary arrangements of training between employer and employee. British policy, for example, relies largely on individual initiatives for training investment by both employers and workers (ECITB, 2006). Some of these voluntary contributions are managed by organizations such as Skills Investment Funds (SIF). New Zealand has approached the skills and training development through the establishment of Centres of Excellence for Training in different industry sectors. Such efforts are supported by major government initiatives, such as the Growth and Innovation Fund (GIF), which provides skills and training development funds.

Learning has many outcomes: new ways of doing things, sharpening existing skills, building confidence, character and capability of individuals and organizations, creating collective interests, and closing the competency gaps in organizations. The decision to invest in learning is an implicit recognition of the need to develop individuals and renew organizational competencies in order to perform and deliver work and production in accordance with the acceptable industry standards.

Learning investment is based on the managerial perception of the value of learning, the appropriateness of learning methods and costs involved. The organization must have strategies to incorporate an individual’s learning into its business routines. Incorporation of individual and
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