Chapter IV

Competency Management using the Competence Performance Approach: Modeling, Assessment, Validation, and Use

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Abstract

This chapter introduces a new approach in organizational competency management, which is based on Korossy’s competence performance approach and which rests on the central idea of connecting competencies to actual job performance. Such an approach has several important benefits when compared to more traditional approaches. First, it brings competency modeling and assessment more closely to the actual work processes and tasks. Second, it makes possible validation of the models and the assessment within the modeling and assessment procedure. Finally, it is better able to cope with more dynamic and knowledge-based settings. Three case studies in engineering, human resource management, and research and development illustrate how the approach is introduced, evaluated, and applied. The purpose...
of the chapter is to inform researchers in e-learning and knowledge management of how competencies can be used to support work-integrated assessment and learning.

Competency Management in Organizations

It has been argued that the success of today’s businesses increasingly depends on their intellectual assets as opposed to their tangible resources (Stewart, 1997; Sveiby, 1997). Among other things, these assets include knowledge and skills of the workforce. Several organizational disciplines have attempted to find ways to leverage these assets.

From a strategic management point of view, the question has been how organizations are able to use the assets to secure a persisting competitive advantage. Ever since the influential publication of Prahalad and Hamel (1990), who coined the term “core competence,” human expertise has been seen as an important ingredient in the mix of a company’s systems, technologies, physical location, and infrastructure that make up this competence. Therefore, managing individual competencies (knowledge and skills) is one important element in the management of strategic competitive advantage, if individual competencies are in line with organizational core competence. On the other hand, strategic management research has usually not focused on concrete instruments that deal with individual competencies.

Most certainly, human resources management (HRM) has been the primary discipline concerned with operationalizing these strategic objectives. By definition, HRM is concerned with optimizing the workforce in line with strategic objectives. Traditional HRM instruments (like job analysis, selection, training and development, and the like) have been in use in organizations for years. However, their use has recently been criticized for neglecting the strategic connection. It has also been questioned whether these instruments are able to cope with the new productivity challenge in the knowledge-based economy, namely to enhance the productivity of the knowledge workers who now make up a large share of the workforce (Elkjaer, 2000).

More recently knowledge management (KM) has introduced new perspectives. Being driven by innovative information technology (IT) applications, the goal has been to enhance access, sharing, use, and creation of knowledge in organizations. However, just providing employees with a better access to available information or to communication channels has not always produced better outcomes. Instead, people’s ability to make use of and apply knowledge they are generating is becoming a key issue. Michellone and Zollo (2000) argue that “the very paradox of knowledge is that firms possess knowledge only if they are able to transform it, and the primary ability to transform knowledge resides in people and their competencies” (p. 137). This has been acknowledged by some KM advocates by putting an emphasis on implicit knowledge and the techniques necessary to deal with it from an organizational point of view.

It appears that all three disciplines have struggled with the question of how to better leverage human competencies in organizations. They have approached the question from different perspectives and have used different techniques to deal with it. And they all have limitations as well.