Defending your competency model: Sit back, relax and get comfortable

ABSTRACT
While commonly used in practice, some researchers have objected that competency models are not rigorously developed. The current study examines the utilization of development methods and the influence on the level of comfort with legally defending the competency model. Results indicated practitioners were more comfortable legally defending a model that was developed through SME interviews.
Defending your competency model: Sit back, relax and get comfortable

Competency modeling is an idea that emerged in the 1970’s, when McClelland coined the use of competencies and suggested measuring competence for performance outcomes rather than intelligence (McClelland, 1973). Taking McClelland’s research a step further, Prahalad and Hamel (1990) expanded the idea of competencies to include “core competencies”, which are characteristics that are shared at the organization level with all employees. Since then, the idea of competency modeling and “core competencies” is one that has appealed to organizations and become more ubiquitous. In fact, organizations are spending more money on competency models than they did fifteen years ago, reflecting their popularity in organizations (Graber, 2015).

Despite the popularity of competency models, their use in organizations has also been scrutinized by researchers (Reed, Bullis, Collins, & Paparone, 2004; Shippmann et al., 2000). Critiques revolve around the idea that competency models lack developmental rigor and appropriate documentation (Shippmann et al., 2000). Both of these critiques can be problematic if the organization has to defend the competency model in court. While authors have discussed how competency models should be developed, implemented, and used, research into examining how competency models are actually being used within organizations is lacking. This missing link is critical to the discussion of whether or not competency modeling lacks legal defensibility and leads organizations to asking the question of whether the money they are investing in their competency model is worthwhile.

Legal Defensibility

The legal defensibility of a competency model can be contingent on how the model is used. For example, the model may not need to be as legally defensible if it is used for strategic direction, as compared to a competency model used for selection (Stevens, 2012). In developing
the 20 best practices for competency models, Campion, et al. (2011) identified “Using Competency Modeling for Legal Defensibility” (p. 259) as a best practice. Campion, et al. explained three main reasons for the advantages of using competency models for validation. First, because competency models are linked to organizational goals, there should be an obvious connection that can be documented. While this may be easier to demonstrate for some competencies, abstract competencies may be more difficult to link to job relevance (Stevens, 2012). Second, competencies utilize observable behaviors, which can be useful for showing content validity. Finally, competencies are shorter and more broadly defined, which may allow for a link between the competencies and human resource systems. Due to the nature of competencies, the literature has shown that an inferential leap is necessary to link the competencies in the model to task statements (Lievens, Sanchez, De Corte, 2004; Schippman et al., 2000). Because of this gap, demonstrating links between the job behaviors and job skills can be more difficult (Lievens, Sanchez, De Corte, 2004).

The way the competency model is developed can have an impact on the challenge of legally defending the model. Typically, competency models are developed through the borrowed approach, tailored approach or borrowed-and-tailored approach (Lee, Park, Yang, 2010; Rothwell & Lindholm, 1999). While the borrowed approach is the easiest, it is often the least rigorous method (Lee, Park, Yang, 2010; Rothwell & Lindholm, 1999). As the name suggests, if an organization uses the borrowed approach, they would find another competency model that is available from another organization. Alternatively, for the borrowed-and-tailored approach, the organization tailors the model so that it is applicable to their organization. Of note, the tailored approach has been described as the best approach for legal defensibility because it is the most
rigorous method (Rothwell & Lindholm, 1999). The tailored approach could be developed internally through focus groups or behavioral interviewing (Rothwell & Lindholm, 1999).

Development of Competency Models

Competency modeling is seen as an alternative to traditional job analysis. Traditional job analysis has always been portrayed as a boring and mundane task that is critically important to human resources and serves as the cornerstone to most human resource functions, including selection, training, development, compensation, and performance appraisal. It is no wonder that competency modeling took off in popularity within organizations, as it tends to grab the attention of executives and has been touted as the preferred way to explain employee behavior (Campion, et al., 2011).

Even though competency modeling is seen as an alternative to traditional job analysis, there are distinct differences between the two. The biggest difference often noted between job analysis and competency modeling is the linking of an organization’s objectives and goals to the job or position (Shippmann, et al., 2000). Shippmann, et al. (2000) argued that competency modeling is more rigorous in this aspect compared to traditional job analysis. This is likely because competencies generally take into consideration the organization’s long-range business strategies and goals, then link them to employee behaviors. Furthermore, traditional job analysis describes the tasks or behaviors needed to successfully complete a specific job. In contrast, competency modeling takes the idea further by seeking to identify factors that influence these behaviors (Sanchez & Levine, 2009). Sanchez and Levine (2009) argue that competency modeling and traditional job analysis should be used in conjunction with one another. Using both methods can increase the overall rigor, increase legal defensibility, and fill in where the weaknesses lie within each construct; however, it is not known whether organizations actually
choose to use both. Furthermore, because of the number of methods that could be used to
develop the competency model, it is unknown what practitioners typically use. Competency
models can be developed through methods such as focus groups, critical incidents, SME
interviews, job analysis data, structured brainstorming and employee surveys.

Perhaps the most central issue surrounding competency modeling is the lack of rigor
compared to traditional job analysis. Much like a job analysis procedure, if proper processes are
put into place and best practices followed, a competency model can have just as much rigor and
documentation as a job analysis. Lievens, Sanchez, and De Corte (2004) examined ways to
increase the reliability and validity of inferences made when developing a competency model
and reported multiple ways to do successfully do this. In 2011, Campion, et al. listed a number of
best practices for developing and using competency models, many of which have been cited in
popular press (Graber, 2015). Whether or not organizations are applying these best practices
when creating their competency models is a different story. Using rigorous methods can help
meet the Uniform Guidelines for utilizing a competency model for selection.

Current Study

While best practices for competency models are available, the practice is still outpacing
the research. The current study investigated how competency models are developed and the
practitioner’s perception of their legal defensibility. More specifically, the study will help
researchers and organizations better understand how the processes used in developing a
competency model relate to being comfortable legally defending the competency model. The
study answers two specific research questions:

1. When developing a competency model, what processes can be used to influence the
   perception of legal defensibility?
2. What features of a competency model influence the practitioners’ perceptions of legal defensibility?

Method

Participants

Participants were recruited at the 2016 SIOP annual conference, through the SIOP member database, via social media, and through word of mouth. In an effort to target potentially engaged human resource professionals, a list of potential participants was created using the SIOP member database by selecting individuals who stated competency modeling was their primary interest. In an effort to get a broader range of human resource professionals (e.g. those who did not have professional degrees or certifications), a LinkedIn search was conducted using the terms “competency modeling”, “competencies”, and “competency development”. Several social media groups were identified relating to these search terms and information about the study, as well as a link to the survey, was posted on these groups. An incentive was offered in order to increase the likelihood of participation.

The final sample consisted of 134 respondents (56 men and 72 women). For the final sample, 30.6 % reported that they were a “Consulting Professional,” while 36.6 % reported that they were an “Internal HR Professional” and 29.1% classified themselves as “Other.”

Measures

The survey created for the present study encompassed the 20 best practices for competency modeling from Campion et al. (2011). To begin, the 20 best practices were grouped into the three areas of interest: developing, organizing/presenting, and implementing. Individual survey items were then created to assess each of the best practices within these three areas. The
items were vetted by a panel of Subject Matter Experts (SMEs) which consisted of three university professors who work in consulting and have experience with competency models as well as Campion et al.’s (2011) best practices. The panel evaluated the questions based on their applicability to the 20 best practices and three areas of interest and items were removed or adjusted until SME agreement was achieved.

Participants that had experience with developing a competency model answered questions using a dichotomous scale (typically yes or no) to capture the experience that they had in developing the competency model. The final survey resulted in 47 items/questions for individuals with developing a single competency models experience. In addition, 20 demographic questions regarding educational background, professional affiliations, and organizational background were included at the end.

**Procedure**

The survey was administered through the Qualtrics online survey system. An online survey link was distributed using custom printed business cards, through e-mail, and on LinkedIn to individuals or groups who might be interested in participating. After providing their consent, participants began the online survey. If they did not provide consent, participants were thanked for their time and the survey closed. Only participants who had completed one competency model were included in the analysis of the present study. Participants then answered the questions relating to Campion et al.’s (2011) 20 best practices for developing competency models. Lastly, participants were given a set of demographic questions. Once the survey was complete, participants were thanked for their time and were given the opportunity to select an incentive option in exchange for their time (participants could also “choose not to receive an incentive”).
Results

One-Way ANOVAs were run to determine if the processes included in the development of the competency model influence how practitioners perceive the legal defensibility of their organization’s competency model. An alpha of .05 were used for all analyses. Results indicated that when the development of the competency model included SME interviews, practitioners would feel more comfortable having to legally defend the competency model, $F(1,120) = 5.31, p = .023$. Similarly, when the development of the competency model included electronic monitoring, practitioners would feel more comfortable having to legally defend the competency model, $F(1,120) = 7.36, p = .008$.

One-Way ANOVAs were run to determine if the features included in the competency model influence how practitioners perceive the legal defensibility of their organization’s competency model. An alpha of .05 were used for all analyses. Results indicated that when the competency model included illustrative behaviors that describe each main competency, practitioners would feel significantly more comfortable having to legally defend the competency model, $F(6, 96) = 4.66, p < .001$.

One-Way ANOVAs were run to determine if the process used to develop competency models influenced the features included in the competency model. Results indicated that they were more likely to describe the levels of proficiency of each main competency if they used focus groups, $F(1,107) = 8.56, p = .004$, critical incidents, $F(1,107) = 4.14, p = .04$, job analysis, $F(1, 107) = 8.90, p = .004$, questionnaires, $F(1, 107) = 4.55, p = .04$, SME interviews, $F(1, 107) = 7.17, p = .009$, job descriptions, $F(1, 107) = 6.50, p = .01$, O*NET, $F(1, 107) = 8.25, p = .005$, social networking sites, $F(1, 107) = 4.10, p = .06$, and process documentation, $F(1, 107) = 4.97, p = .03$. 
Results indicated that competency models were less likely to include diagrams pictures heuristics if they used questionnaires, $F(1, 107) = 3.97, p = .04$, or studied contrasting groups, $F(1, 107) = 9.02, p = .003$. Organizations were more likely to include a description or definition of each competency when they used SME interviews, $F(1, 109) = 4.22, p = .042$. Competency models were more likely to include associated illustrative behaviors that describe each competency if the organization used SME interviews, $F(1, 109) = 4.79, p = .03$, work diaries, $F(1, 107) = 4.71, p = .03$ job descriptions, $F(1, 109) = 4.18, p = .04$, or literature reviews, $F(1, 109) = 7.06, p = .009$.

Whether an organization developed the competency model internally or externally did not affect how comfortable practitioners felt defending their competency model. Further, whether or not the organization developed the competency model internally or externally did not affect which details were included in their competency model.

**Discussion**

Prior research regarding competency modeling has shown that the methods used to develop them are not always rigorous (Lieve, Sanchez, De Corte, 2004; Schippman et al., 2000). Competency models are prone to being legally challenged because of the lack of rigor as well as the inferential leaps that must be made in linking competencies back to task behavior. The current study surveyed professionals who had experience in developing a competency model in order to understand what processes would help increase how comfortable practitioners felt with legally defending the competency model. These findings are particularly interesting for practitioners to explore ways of developing a competency model.

The results indicated that utilizing SME interviews in the development of the competency model, practitioners would feel more comfortable legally defending the competency model.
Additionally, practitioners would feel more comfortable having to legally defend the model if the development included electronic monitoring. Utilizing SME interviews could provide more in-depth information which in turn instills more confidence in the legal defensibility of the model.

The results concluded several different findings when investigating the features included in the process. Practitioners were more likely to describe the level of proficiency of the main competency if they used focus groups, critical incidents, job analysis, questionnaires, SME interviews, job descriptions, social networking sites or process documentation. This could be because when information is gathered from a variety of sources, the practitioners can develop a more thorough understanding of the competency to provide a level of proficiency. Interestingly, organizations were more likely to include a description or definition of each competency when they used SME interviews. Further research could investigate why more sources lead to levels of proficiency, while only SME interviews lead to definitions for competencies.

Competency models were more likely to include associated illustrative behaviors that describe each competency if the organization used SME interviews, work diaries, job descriptions, or literature reviews. When the model included illustrative behaviors to describe each main competency, practitioners would feel more comfortable legally defending the model. Together, these findings indicate that there are a variety of sources that can be used to describe competencies, and using illustrative behaviors may be of benefit to the organization.

Results indicated that competency models were less likely to include diagrams/pictures/heuristics if they used questionnaires or studied contrasting groups. Questionnaires may not provide enough in-depth information to develop a diagram.

In contrast to the finding by Lee, Park and Yang (2004) that when using an external consulting firm, practitioners were more comfortable legally defending the model, the current
study found that developing the competency model internally or externally did not affect how comfortable practitioners felt defending their model, or the details that were included in the model.

All in all, the study aids both practitioners and researchers in understanding and utilizing competency models. For practitioners, the study provides insight as to what methods are commonly included in developing a competency model in a more legally defensible way. This can help guide future development. For researchers, the study signifies how competency models are being developed outside of research. The participants and results included show that many different methods are used to develop competency models, and further research could provide more answers as to how to continue utilizing rigorous and legally defensible competency models.


