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The CEB Talent
Measurement Solution

The SHL Universal Competency Framework

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Summary

The SHL Universal Competency Framework (UCF) presents a state-of-the-art perspective on competencies and underpins all of SHL's products and services. The framework incorporates a model of performance at work that defines the relationships between competency potential, competency requirements and competencies themselves.

The SHL UCF, supported by the UCF Database (UCFD) provides a comprehensive and easy to use resource for the development and analysis of competency models across a range of industries and locations. It points to ways in which people and their work setting interact, and it has implications for how performance in the work place can be managed.

Since 2001, the UCF has been used to create 403 new competency models by 299 consultants working in 24 different countries with 117 client organisations. In most cases it has been used to assist major clients in building their own integrated corporate competency models. It has also been used to map existing client models.

It provides the ability to produce tailored competency models quickly and efficiently from a standard set of components. It reduces reliance on the particular skills and abilities of individual consultants or employees and produces a more consistent, high quality product for client organisations.

This paper explains the definition of competencies and how the UCF was built. It also outlines the key benefits of using a model for competencies and how such a model can be used to assess people in the workplace and, ultimately, to improve organisational performance.

What is the Universal Competency Framework?

It is a single underlying construct framework that provides a rational, consistent and practical basis for the purpose of understanding people's behaviours at work and the likelihood of being able to succeed in certain roles and in certain environments.

It is important because it builds on and moves ahead of the current state of the art in competency modelling and competency-based assessment. In the past, organisations have understood competencies only in the context of competency dictionaries, which have perhaps comprised up to 60 competencies out of which they have chosen a sub-set of what they consider to be the most relevant. The UCF, on the other hand, supports a more structured approach that is evidence-based (see Bartram, 2005).

The Framework provides comprehensive coverage of the job competency domain including:

- SHL's own standardised competency models, including Perspectives on Management Competencies (PMC), Inventory of Management Competencies (IMC), Customer Contact Competency Inventory (CCCI), Directors Development Audit (DDA), and the Work Skills Competency Inventory (WSCI)
- Models developed by other providers (e.g. Hay, PDI, DDI, MCI, Lominger)
- Models developed by SHL clients and for SHL clients.

The UCF is a single underlying construct framework that provides a rational, consistent and practical basis for the purpose of understanding people's behaviours at work.

It also provides the basis for developing new competency-based approaches to selection and development and it is backward compatible with SHL competency-based assessment products, such as SHL's Decision Maker, IMC, PMC, CCCI, and structured application form (SAF) generation.

A structured and evidence-based method of understanding behaviour in the workplace

The UCF is a genuine 'framework'. Lots of people talk about competency frameworks, when what they mean are just collections of competencies.

- A framework is an articulated set of relationships
- It defines the nature of the components of a model
- It specifies how those components relate to each other
- It specifies how they relate to other constructs (performance, personality etc) that sit outside the framework
- It is also evidence-based and not just based on content analysis.

The framework develops the concepts of competency beyond the 'surface'. In other words, it delves deeper into the meaning of the description itself. Rather than merely describing a set of behaviours as, for example, 'adapting and coping', it uncovers what this actually means through several layers of competency components that make up that set of behaviours. Using the concepts of 'deep' or 'propositional' and 'surface' or 'expressed' structures as the basis for combining the benefits of both generic models and tailoring to client needs allows us to more fully and completely understand the underlying elements of behaviour

- The framework specifies the generic 'deep structure' of the competency domain. This expresses competencies in terms of generic propositions about behaviours in the workplace
- Specific competency models are 'surface structures' or 'expressions' of those behaviours in the language of the client organisation
- Just as we can express the same proposition in language with many different sequences of words, so we can express the same competencies in different ways.

The framework structure is like the 'grammar' of a language. The framework content is like the basic propositional meanings languages work from.

Understanding competencies

We define competencies as "sets of behaviours that are instrumental in the delivery of desired results." (Bartram et al, 2002). In the business environment, they are behaviours that support the attainment of organisational objectives. It is important to note the focus here is on behaviours and not on the results or consequences of those behaviours or on personal attributes that have no behavioural expression within the work environment.

Three other terms are relevant to the Framework and need to be fully understood:

- Competency potential, which is seen to derive from individual dispositions and attainments
- Competency requirements or the demands made upon people to display certain behaviours and not to display others. These requirements can be both facilitators of, and barriers to, effective performance in the workplace. They can also be explicitly encouraged through line manager instruction, or implicitly through organisational norms and values
- Results, which are the outcomes of behaviour, typically assessment through performance reviews and appraisals.

The difference between knowledge and skills (competence) and competencies

The UCF is not a model of knowledge and skills. Such models are often referred to as models of 'competence'. Any framework that claims to deal with competence needs to provide a basis for the specification of statements of competence. It is important to understand, however, that a job competency model like the one described in this paper will not itself contain a specification of knowledge and skills.

It is unfortunate that two very similar words have been used to describe two very different constructs. It is essential that there is a clear distinction between these two terms. The following explanation may be helpful at this point.

Competence is about mastery in relation to specified goals or outcomes and it requires the ability to demonstrate mastery of specific job-relevant knowledge and skills. The measurement of competence at work involves the assessment of performance in the workplace against some pre-defined set of occupational or work-related knowledge and skill standards. These standards define the performance criteria associated with competence in the workplace. Statements of or about competence are, therefore, statements about an individual's standard of achievement in relation to some defined set of work performance standards or requirements.

Competence, in relation to occupational standardsbased qualifications, has been defined as 'the ability to apply knowledge, understanding and skills in performing to the standards required in employment. This includes solving problems and meeting changing demands" (Beaumont, 1996). This reflects the common notion that competence is about the application of knowledge and skills, judged in relation to some standard or set of performance standards.

Competence, therefore, relates to performance or outcomes, and involves the description of tasks, functions or objectives. Competencies, on the other hand, relate to the behaviours underpinning successful performance; what it is people do in order to meet their objectives; how they go about achieving the required outcomes; what enables their competent performance.

Standards of competence tend to be specified in terms of performance criteria that relate to outcomes. Methods of assessing competence may include work-place assessments, simulations and other techniques. The performance standards required tend to be set by a recognised authority or body responsible for awarding or accrediting occupational qualifications (e.g. the QCA accredits standards set by National Training Organisations in England; professional bodies define standards of competence for professional practice and so on).

> Competence relates to performance or outcomes; competencies relate to the behaviours underpinning successful performance.

Competencies relate to how knowledge and skills are used in performance, and about how knowledge and skills are applied in the context of some particular set of job requirements. The assessment of knowledge and skills is quite different from the assessment of competencies:

- Knowledge and skills are job or occupation specific, and the domain of knowledge and skills across the whole world of work is potentially limitless
- Competencies are generic in that they apply across all occupations and jobs. The number of competencies is finite and at the level of detail described in the SHL model, relatively small. Competencies determine whether or not people will acquire new job knowledge and skills, and how they will use that knowledge and skills to enhance their performance in the workplace.

Competencies	Software
Competencies are 'behavioural repertoires'	Competence is a 'state' of attainment.
Competencies can be used in a backward looking way (e.g. 360 feedback) concurrently (e.g. assessment centre) or forward-looking way (i.e. competency potential) to predict what they should	Competence is about achievement and is always backward looking.
People demonstrate competence by applying their competencies knowledge and skills in a goal-directed manner within a work setting.	Competence is about where a person is now not where they might be in the future.

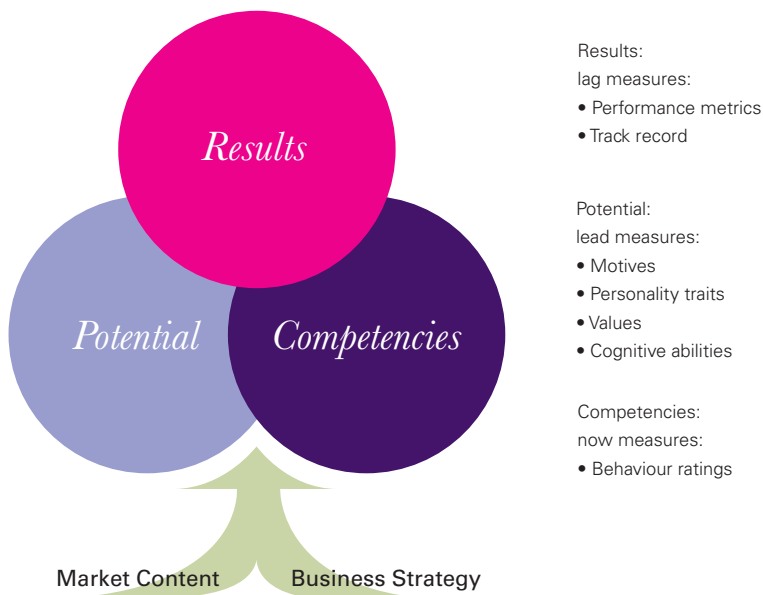**Elements of the Framework**

As we have discussed, the Framework incorporates a model that distinguishes:

- "Competencies" defined as sets of desirable behaviours
- "Competency potential": the individual attributes necessary for someone to produce the desired behaviours
- "Competency requirements": the demands made upon individuals within a work setting to behave in certain ways and not to behave in others. In addition to instructions received (i.e. the line manager's setting of an individual employee's goals), contextual and situational factors in the work setting will also act to direct an individual's effort and affect the individual's ability to produce the desired sets of behaviour. These requirements should normally derive from the organisational strategy and from a competency profiling of the demands made on people by the job
- "Results": The actual or intended outcomes of behaviour, which have been defined either explicitly or implicitly by the individual, his or her line manager or the organisation.

The figure below shows how situational factors provide the context within which an organisation decided what results it needs to achieve. The decisions made about the success criteria in turn have implications for the behaviours it is necessary to encourage if those results are to be achieved. Having identified the behaviours it is then necessary to see whether the people in the organisation have these competencies or whether they need to be developed. Assessments of competency potential provide the information about who is more likely to demonstrate the desired behaviour. From one viewpoint the process is one of moving from potential through behaviour to results. From another it is one of starting with a statement of the goals (results required) and working backwards through behaviour to potential.

This model also includes the notion that while 'results' may be specified at an organisational or team level, behaviours are individual. A key factor in competency modelling is that of relating individual behaviours to group or corporate goals. (See Figure 1 below)

> *A key factor in competency modelling is that of relating individual behaviours to group or corporate goals.*

Results:
lag measures:
• Performance metrics
• Track record

Potential:
lead measures:
• Motives
• Personality traits
• Values
• Cognitive abilities

Competencies:
now measures:
• Behaviour ratings

The construction of the Framework

The UCF is defined in terms of a three-tier structure. The first tier consists of a set of 112 specific component competencies. The structure defines the relationships between these components, their mapping onto a set of 20 broader competency dimensions (the second tier) and their loadings on eight general competency factors (the third tier). This top tier is explained in the table on the next page:

SHL's "Great Eight" Competencies	
Leading and Deciding	Takes control and exercises leadership. Initiates action, gives direction and takes responsibility.
Supporting and Co-operating	Supports others and shows respect and positive regard for them in social situations. Puts people first, working effectively with individuals and teams, clients and staff. Behaves consistently with clear personal values that complement those of the organisation.
Interacting and Presenting	Communicates and networks effectively. Successfully persuades and influences others. Relates to others in a confident and relaxed manner.
Analysing and Interpreting	Shows evidence of clear analytical thinking. Gets to the heart of complex problems and issues. Applies own expertise effectively. Quickly learns new technology. Communicates well in writing.
Creating and Conceptualising	Open to new ideas and experiences. Seeks out learning opportunities. Handles situations and problems with innovation and creativity. Thinks broadly and strategically. Supports and drives organisational change.
Organising and Executing	Plans ahead and works in a systematic and organised way. Follows directions and procedures. Focuses on customer satisfaction and delivers a quality service or product to the agreed standards.
Adapting and Coping	Adapts and responds well to change. Manages pressure effectively and copes with setbacks.
Enterprising and Performing	Focuses on results and achieving personal work objectives. Works best when work is related closely to results and the impact of personal efforts is obvious. Shows an understanding of business, commerce and finance. Seeks opportunities for self-development and career advancement.

This structure provides the source material for client specific or job-type related sets of competencies. Such sets of competencies may be defined at various levels of aggregation (corresponding to the component level, the dimension level or the broader factor level).

The component building blocks are defined in relation to five levels of job or work role complexity by behavioural indicators and other information. These levels correspond with the job levels used in the O*NET database and a number of other systems. They provide the basis for generating competency models corresponding to different job layers within an organisation, from manual worker to senior manager and director level.

"Information packs" are attached to each of the SHL component competencies. These contain relevant questionnaire items, behavioural anchors, interview questions, assessment methods and illustrative exercises for employee development.
These provide the source materials for building assessment collateral for tailored competency models.

Most importantly, each competency component is linked to SHL's portfolio of assessment instruments (personality assessment instruments like OPQ32, ability tests, the Motivation Questionnaire and others). From these linkages, we can develop assessment instruments and assessment regimes that are uniquely tailored to the competency models that we have built for clients, or to existing client models that we have mapped onto our framework.

Research has also been carried out to establish the links between the UCF constructs and the descriptions of jobs within the O*NET database. A set of equations has been produced that enable O*NET descriptions to be converted into competency profiles. Empirical validation of this (Bartram & Brown, 2005; Bartram et al, 2005) found that the average correlation across 125 jobs between competency profiles generated from the O*NET data and profiles produced by job incumbents using the competency framework directly is 0.86 (corrected for rater unreliability).

Key Features of the SHL Competency Framework

We have created the means of developing tailored, individual client competency models that are linked to a common, generic, foundation. Through this foundation we can link into our range of assessment tools and integrate with a range of HR processes.

- It is an integrated framework that draws together applications from job analysis through to all aspects of measurement in the employee lifecycle

- It is an integrating framework that supports the strategic (e.g. mergers and acquisitions, succession planning, change management) and tactical (e.g. selection, personal development) use of competency modelling in organisations

- Its content reflects the whole domain of competencies in the world of work and can be applied at all job levels

- Its structure provides for descriptions at a broad, psychometrically meaningful eight factor-level description, a more focused 20 dimensional level of description or a very detailed component level (112 components)

- Source content includes assessment items, behavioural anchors, everyday terms, development actions points, links to job tasks etc

- All SHL's standardised competency models have been mapped to the component structure

- The framework lets us develop better competency models faster

- The framework has been used with a large number of major clients to build their own integrated corporate competency models. It has also been used to map existing client models.

Benefits of using the Framework

- The framework provides the ability to produce tailored competency models quickly and efficiently from a standard set of components; each new model is built on a solid and known foundation.

- It reduces reliance on the particular skills and abilities of individual consultants – it converts processes dependent on human intellectual capital into ones that rely instead on structural capital. This produces a more consistent, high quality product for our clients

- It provides a means of growing structural intellectual capital, as the UCF database captures all new models. This provides the potential for benchmarking competency models across jobs and industry sectors

> We have created the means of developing tailored, individual client competency models that are linked to a common, generic, foundation.

- It is the basis for the development of new products and service offerings such as the SHL Leadership Model (Bartram, 2002) and the SHL-Henley Knowledge Management Competency Inventory (Truch et al, 2004)

- More recently we have seen a range of standard products emerge: the Universal Competency Report, which is based on the OPQ32 and will be available in a wide range of languages; the 20 competency model person-job match reports, which are being used widely in S Africa and India

- The links to our measurement tools entail that not only can we offer clients well-designed competency models, but also immediate competency potential assessment outputs tailored to their models.

The UCF represents a radical change of direction for SHL, which is traditionally thought of as a test publisher. Since 2001, the UCF has been used to create 403 new competency models by 299 SHL consultants working in 24 different countries with 117 client organisations. In most cases it has been used to assist major clients in building their own integrated corporate competency models. It has also been used to map existing client models.

The UCF focuses on describing and measuring the domain of performance at work and sees measures of personality, ability and motivation as important as predictors of this rather than being of importance in their own right. This shift in focus is also reflected in the fact that our new reports focus on describing people in terms of competency and competency potential constructs and talk about how they fit or misfit competency requirements in the workplace.

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