CHAPTER-6

SOFT COMPETENCY EVALUATION
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Introduction

How does one measure the intangible or quantify the formless? This is a challenge that all IT organisations have dealt with while formulating methodologies for measuring the soft competency / soft skills requirements of their employees. Organisations today realise that while technical skills / competency can be easily acquired, when it comes to the seemingly ‘easy’ soft skills, most training programmes fail disastrously. Identifying the soft skills requirements of individuals, bridging the skill gap through consistent training, and grooming them for the future is an assiduous and expensive effort that most organisations today cannot afford to ignore for their critical business needs.

Having a system in place that is able to quantify these skill set requirements is a need of the hour. Development of these skills is imperative for organisational as well as individual success. “Many such skills impact the bottom-line, for example, employees who can easily adapt to change, or have the skill of building relationships or the ability to communicate fluently are able to form effective working relationships with clients and bring in more business to the organisation,” says Bhaskar Das, Vice-president, Human Resources, Cognizant.

Skills or Competencies that matter

Skills that can be measured.

· Communication
· Peoples Management
· Decision making
· Attitude
Skills or Attribute that cannot be quantified

- Honesty.
- Integrity.

This chapter will discuss the method of evaluation of soft competency with special reference to the Indian software industries. Much of our work with top team members has been captured and recorded in the form of taped transcripts, written notes, task worksheets and completed instruments and questionnaires. This bank of material enables this researcher to describe further, through illustration and examples, the key features and ingredients contained within the researched competence framework.

At the outset some popular quotes and statements on soft competency has been analyzed from a researcher’s angle for making it simpler and understandable and to know whether they are correct and if correct to what extent they are correct.

Statement-1:- Competence is a statement of value that is placed on a manager who is able to perform and to work in ways that are highly valued and required within a particular organization.

The following quotes are illustrative of this value base, and of the diversity of views expressed in different companies:

a. “Hard work – a work ethic. I like to see people getting stuck in, pulling their weight and working long hours. It really annoys me that there are people who do not.”

b. “You have to work. You have to do it … not talking but doing. You work or you get sacked.”
c. “You have to be conceited to sell, and not be put down; be a good arguer, enjoy confrontation and manipulation. Selling is manipulation. The sales manager is a fanatic – he lives it and breathes it. We get complaints that he oversells, but I’m not going to tell him off.”

d. “Honesty. We just don’t tolerate people who are getting something by cheating, who play on the side. We will never break the law.”

e. Organizational values provide the operating principles, norms and guidelines for competent behaviours. For example:

   i. “We are nice but ruthless.”

   ii. “We’re a money making machine that employs people.”

   iii. “We are aiming to be a success in this business.”

   With shared buy-in of the value base comes a sense of belonging, a judgment of who is in and who is out, and a responsibility to live out the values in practice:

f. “He thinks as I think”.

g. “We are ‘Company X’ people. You are either with us or against us. We don’t like people who are not ‘Company X’ people.”

h. “We do things in our style.”

Statement-2:- Organizational competence is a lens on the world of managerial competence. The lens is in part shaped by organizational culture. In turn, organizational culture is based on and derived from prior experiences, learning, assumptions, beliefs, and preoccupations.
Hence, organizations come to develop mind sets which provide particular perspectives on the arena of business and its demands. For example:

- “Minimization of risk is something we are always concerned with. I am not satisfied about having a dependency on one customer, one market, and one product. No one customer is more than 15 per cent. We minimize our risk.”

- “I have learned from bitter experience. Cash is your life blood, and without it you are dead.”

- “The Good Lord gave me enough brains to realize we have got to work with very wide margins – I learned the hard way. ‘He kept his margins’ will be my signboard.”

Statement-3: The lens of organization competence is easily influenced. The lens is changeable in response to varying circumstances, enabling reconstruction of competence over time.

Changes in the organization marketplace and wider environment can impact on the competence frame and result in a shift in focus:

- “The definition of selling in today’s market needs to emphasize an ability to get paid. Today’s customers often demand credit. This is something you now need to get sorted out to your own satisfaction at the time of making the sale.”

- “How we manage the human resources is becoming increasingly important.”

- “We became aware of the negative issues last year. This year we have got to minimize these and the cost of doing it.”

- “We have learned to do risk analysis, to avoid excessive risk, and to say no to certain contracts, despite the technical excitement of the project. However, in the current recession, there is a temptation to take risks.”
• “The market at the moment is totally cost driven. Even a year ago it was possible to capitalize on our quality award. Now, customers go for the cheapest products and that is that. You need to be acutely aware of the movements or changes in the market. It is no good trying to sell a better quality product today, if it is at a higher price. But we think that it will change again within the next year. Things like quality, service, and sales back-up will become more important again.”

Statement-4:- The lens of organizational competence will bring areas of key concern – the competence domains – into focus and enable their definition.

Consider, for example, the strategic intent for three companies:

1. “Market growth. We’re going to expand and spread.”
2. “Well engineered products.”
3. “Efficiency of production. The level of competition should be increased to 100 per cent.”

Our particular interest in the data generated by our research was how the same shared competence domain was very differently illuminated by the different organizations’ lenses of competence. For example, concerning the domain of “quality”:

• “Quality. We go for the best. There’s a long-term gain in that. We’re now viewed as the leaders for quality in the industry.”

• “Quality. We are very good at making sure that the client is happy with quality. You won’t find a fault. If we make a mistake we scrap it. Customers have to trust us. If you visit our factory at any time you will find no reason to distrust us. It is perception – image is all important.”

• “Quality linked to satisfying market wants. There is no need to exceed market requirements.”
• “Quality, but at a price people are prepared to pay for. Value for money.”

• “Quality. You need faith to sell, and that’s why we manufacture to ensure quality. Selling is easy if you have confidence. One-hundred per cent confidence in the product. You’ve got to believe in it.”

• “Quality as an overall concept. We try to conform to customer demands. If people think badly of us … if a customer rang up complaining, we would be worried and hurt. We are sensitive to people’s opinions.”

• “Quality. The employees will take a much greater pride in what they do … job satisfaction and motivation … if they feel part of a quality set-up.”

Again, to emphasize how important the lens of organizational competence is in providing an organizationally distinctive focus and flavor to the competence domains, consider some examples, from various companies, relating to the “customer” domain:

• “Customers – we conform to their demands. We try to reach a solution to their problems. We tend to say yes rather than no, and to give the right attention. We are not a unique product, and so we try to offer a unique service.”

• “Customers. We do not break people off; we are easy to work with. Some customers take that for softness, but the majority keeps coming back for more.”

• “Customers. We go overboard trying to give customer satisfaction, providing the right job and solution. Siding with customers can cost us money at times, but on balance it helps to form a longer term partnership with the client.”

• “Customers. You need to treat your customers with the same respect as you would a business partner. Your customers need to feel that they are part of your working team. Everyone needs to be tuned in and focused on the same thing.”
• “Customers. We would love to trust our customer.”

• “Customers. Don’t suck up to customers. Don’t be weak.”

• “Customers. Our attitude to customers is very simple. Our motto is to be gentle and not squeeze unless you have to be really crude. You’ve got to look after the customer – the customer has to benefit.”

Statement-5:- The lens of organizational competence will bring into focus and define the key competencies, capabilities and attributes required to perform successfully within the key competence domains.

Without bringing the points already made concerning the lens of organizational competence in illuminating the domains of managerial competence, it is important to note that the same is true if we consider competencies and their components. Thus, for example, the following quotes derive from different top teams which share a view of the importance of “team working and relationships”; but clearly differ in what this means and implies:

• “They definitely have to be members of one in-house club. A fan loves his team.”

• “I see the management team as a forum for debate. As MD I want to distance myself and push the power out to the team.”

• “The strength of the company comes from combining the talents of all the people and therefore team working and group activity must be given priority over individualization.”

• “The marketing manager is the marketing expert, the accountant is the financial expert ... it would be nice if each team member had a clear understanding of others’ areas, but it is not essential.”
• “We want generalists who are anxious about the impact of their work on others.”

• “Teamwork. Working as a team with everyone pulling in the same direction … To operate successfully as a top team each member must be able to rely on the full cooperation of the other members.”

Measuring of the Right Objectives:

A Formula for Designing and Evaluating Training Programs.

For the development of soft competency some training has been imparted to the selected employees in a phase wise manner by the IT industries in India. But it is very often asked by the management “How do we know if our training is effective?” That’s not an easy one to answer. Measuring training effectiveness has always been and continues to be a challenge.

When we think about measuring training effectiveness, it helps to consider the following questions:

- Do the training programs meet their objectives?
- If they do, how do they know the objectives were met?
- How do they measure concepts or competencies in training?
- Do their objectives tie to key competencies, measurements, and exercises?

It has been observed during the course of our interaction with the HR Department of the sample units that they all have designed the training programs that identify the correct objectives and meet those objectives? Although their training programme and duration are all different for different grades of employees they have the proper method of evaluation of their objectives. It is as easy as determining four components.
In this chapter, we will describe the methods to know how with some basic information, on how they use the formula to develop training programs and how the formula help to provide guidelines for subject matter experts. It’s important to remember, though, that meeting their objectives only matters when they are the correct objectives.

They are using a model with proper revision so as to meet their respective needs to evaluate the soft competency during the course of training. The model is popularly known as Kirkpatrick’s Four Levels of Measurement. This model was developed in 1959 by Donald Kirkpatrick, Ph.D. and is the most widely recognized model for training evaluation. Kirkpatrick’s 4 Levels are:

- Level 1 – Reaction
- Level 2 – Learning
- Level 3 – Behavior
- Level 4 – Business Results

**The Current State of Training Evaluation**

Unfortunately, many training programs and training departments of the units under study fall short of identifying and meeting their objectives. In fact, it has been observed, in many cases, that the training programs do not have formal objectives at all.

And the training programs that do have objectives, often do not determine if they’ve been reached (Level 2 evaluation). Add to this the fact that in one
organizations, Satyam, they are unable to identify the exact results achieved through training, and it’s pretty easy to observe why they have confusion when it comes to evaluating training effectiveness.

Chances are also good that the training programs that are measuring at Level 2, aren’t measuring the appropriate learning. As the ASTD 2005 State of the Industry reports only 54% of the companies surveyed by them, measured training results at Level 2. So even when we don’t consider the quality of the measurement, only half of the companies in the survey are measuring at Level 2 at all.

A Simple Formula:
Competencies, Objectives, Exercises, and Evaluation

It is advocated for using a simple formula to help measure the knowledge gained through training (Level 2). This formula can help training organizations dramatically increase their training results and measure them.

The formula matches competencies, objectives, exercises, and evaluation in an integrated fashion to measure level 2 training results of the appropriate competencies. Additional information about these four components follows:

- Competencies – what learners need to learn for their job.
- Objectives – specific measurable and observable statements of what will be learned in the session.
- Exercises – activities in the training session that will be used for evaluation purposes.
- Evaluation – tool used to measure the competencies.
Competencies

The word “competencies” has a variety of different definitions. For the purpose of this model, we can say that “competencies” as the tasks or “skills” that the learner must complete on the job. Competencies should be identified as a first step in developing your training materials.

Obviously, if we cannot identify the competencies or tasks the individual needs to complete on the job, we cannot develop effective training. The identified competencies will be matched to objectives, exercises, and the evaluation.

For example, if we were to write simple statements regarding technical and soft skill competencies, they might look like this:

- Technical Competency- The inventory control specialist will be able to use SAP to complete the identified system transactions associated with their job.

- Soft Skill Competency - The customer service specialist will be able to answer a customer complaint by following all of the elements of an effective customer service call.

Objectives

We have found that not all instructional designers match the training program’s objective to the competencies. By tying objectives to the competencies, the instructional designer:

- Describes how a learner will demonstrate their knowledge, comprehension, and ability to perform a specific task and . . .

- Communicates an intended instructional result to learners by conveying a picture of what a successful learner will be able to do.
For anyone not familiar with objectives, Robert Mager’s book Preparing Objectives for Programmed Instruction (1962) remains the standard for writing objectives today. By Mager’s definition an objective should have three components.

- Behavior – should be specific and observable
- Condition – sets the circumstance of the behavior
- Standard – level of performance that is considered acceptable

Here we are presenting some examples of technical and soft skill objectives:

Technical - The participant will be able to use the On-Line Quick Reference (OLQR) to post a goods issue using movement type 201 and cost center 4010591 within 10 minutes.

Soft Skills - The participant will:

- Get the customer’s name during the first 45 seconds of the phone call.
- Use the customer’s name when confirming/restating the customer complaint.
- Confirm/Restate the customer’s issue within two minutes

The Role of Exercises

Many training programs provide a post-test on the knowledge gained by the learner. While this is an effective practice for information, it has little benefit when the competency is actual performance rather than just knowledge.

This is why exercises in training courses are so important. Exercises give the learner the opportunity to practice and demonstrate competence at the level of the objective. By developing appropriate exercises, the instructional designer provides the link to the objectives and competencies.
When the task or competency is performed (as most competencies are) the exercise should be in the form of a work related scenario. Again, using our technical and soft skill training categories, here are a few examples of different exercises:

- Technical Exercise - You are filling an order for a bank and need to issue two covers for the order. Perform a goods issue for the covers using posting date 1/5/2008, movement type 201 and cost center 4010591. You have 10 minutes to complete the scenario.

Soft Skills Exercise - You receive a call from a customer complaining about an item on their credit card bill. Complete the first three steps of an effective customer service call within two minutes.

**Evaluation**

Inventory Movement – Did the participant:
- Post a goods issue within 10 minutes Yes No
- Use the OLQR to post a goods issue Yes No

Customer Service Call — Did the participant:
- Get the customer’s name during the first 45 seconds of the phone call Yes No
- Use the customer’s name when confirming/restating the customer complaint Yes No
- Confirm/Restate the issue accurately within two minutes Yes No

The final part of the formula is the evaluation. The evaluation ties together the competencies, objectives, and exercises with measurement of the performance. The evaluation tool measures the competencies that are defined by the objectives and completed during the exercise. A positive yes answer to all the questions asked will confirm the effectiveness of the training for enhancing the competency of the trainees.
References


