

Creating a Competency Framework in 5 Easy Steps





Better management, employee retention, a more efficient workforce and even improvement on your company's bottom line—what's not to like? These are just a few benefits companies achieve when they implement a [competency framework](#). When leadership and HR understand what's needed for each job, they can identify skills gaps, streamline the recruitment process and establish improved communication across the organization. Studies show that companies with a competency framework see an improvement in organizational performance and clarity, enabling leadership to make informed decisions.

What is a Competency Framework?

A competency framework is the collection of characteristics, skill sets and abilities which apply to each role within your workforce. With the knowledge gained about your workforce through this data, you can determine where skills gaps are (what areas an employee or a team may need additional training and mentoring). This model helps employees to stay motivated and decreases frustration.

How to Build a Competency Framework

1.) Prepare and Communicate

When planning for a competency framework, it's important to inform your workforce of your intentions early on. You'll need to work with all levels of your staff and make sure it is easily accessible, user-friendly and implemented correctly.

It's also important to explain the purpose behind this new framework and what it will be used for. Your workforce is your greatest asset and communicating the overall plan, as well as the potential benefits of the proposed system, will help create a dialogue, ease concerns, and encourage employees to adopt the new framework enthusiastically.

2.) Define Competency Requirements

An important step in creating a competency framework is collecting data about each job type within your organization. By surveying employees and management alike, you're able to determine each employee's comfort level or proficiency within their position, better understand what kind of skills are needed as well as what current skills gaps exist.

3.) Choose a Foundation

The most comprehensive way to implement a competency framework is by using [competency management software](#). Competency management software makes it easy for leaders throughout the company to collaborate on customizing the process. While many organizations have similar competencies and similar types of employees, there tend to be at least a few differences from company to company. How common or atypical your company's competencies and the tasks required of your employees are will determine the foundation on which you build your organization's competency framework.

Use a pre-set list

If your organization's job types and competencies match those of other organizations, using a pre-set list as a basis and expanding upon the framework as you go could be your solution. If pre-existing lists truly identify the competencies required of each position within your company, this is a cost-effective solution.

Customize a pre-set list

Should the competencies required of your employees be more complex than common competency lists, customizing a pre-set list which reflects the specific needs of your organization could be beneficial.

Develop a Custom Framework

If the predominance of your workforce is unique in abilities in comparison to other organizations, you may need to create a completely custom competency framework. Depending on the size of your company and the complexities of your workforce's competencies, developing a unique competency framework could be a huge task. Without the prior experience and knowledge needed, developing this framework may take an enormous amount of time and energy to create, and even then, without the right direction from experts, the framework may not be used as needed. If your organization needs a custom competency framework, it may be advisable to make use of outside consultants to develop the framework for you.

Keep simplicity in mind. While your organization may be complex, the simplicity of the competency framework is important. If it gets too complicated, people will tend not to use it.



No matter what initial foundation you choose, always plan to involve your workforce. No one knows the skills required for each job better than your employees.

4.) Implement Your Competency Model

Once you have finished your research, involved key members of leadership and selected a foundation upon which to build your framework, it's time to create your competency model. Don't forget to:

- Make sure that the competency framework is relevant and geared toward your workforce;
- Have a company-wide roll-out where managers and employees alike understand how critical data is being collected and why;
- Train staff to use and build upon the new competency framework;
- Create a privacy standard, as much of the data will be sensitive and not all staff should be able to view everything.

5.) Track, Measure and Take Action

By comparing competencies needed in each role and comparing these to the proficiency of employees currently in that role, leadership can begin building upon employees' existing strengths, followed by targeting skills gaps and planning for continued learning.

DIY or Engage a Consultant?

The competency framework creation process can be complex. To ensure that your time is well spent, remember to include your workforce, build upon existing strengths, choose a foundation that is right for your organization and, if necessary, plan for continued learning. Should the complexities exceed your organization's capabilities, don't hesitate to bring in an outside consultant. [Learn more](#) about how Avilar's team of competency framework experts can help you to enrich your workforce.

