



Competency models in practice

A practical guide
for the creation and evaluation
of competencies

+ handbook
for team leaders!



Welcome to the guide that is based not on theory, but on practical experience!

Continuing from [the first e-book on competencies](#), it brings practical tools and advice on how to implement and evaluate competencies. And not just from a technical point of view, but also considering the human aspect – how to introduce change, how to get your team on board, and how to overcome the challenges that competency-based management brings.

If you are about to embark on transforming your organization or team towards competency-based management, this guide is an invaluable companion for you. It will offer you:

- An insight into the introduction of competencies through the lens of change management. You will understand why change is sometimes difficult and how to facilitate it,
- Practical advice and information for effective implementation of competencies in your organization,
- Checklists and guides that will help you with the entire process step by step,
- An overview of the most common challenges and pitfalls associated with competency-based management and guides on how to face them,
- A specific checklist for team leaders that will help them effectively lead their team in the context of competency-based management.

We wish you much success on your journey to a competency-driven organization and believe that this guide will become your valuable helper. Embark on this with determination and an open mind – **the world of competencies has a lot to offer!**



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Drive change, or change will drive you!

Introducing competency-based management into a company represents changes on many levels: a **change in thinking** (which can be complicated), a **change in accustomed agendas and processes, changes in communication, changes in culture**. The perspective of implementing competency management as change management in an organization thus represents an important tool for all those who have decided for this type of change.

The purpose of competency management is the development of employees' skills, knowledge, and abilities in line with the organization's goals.

The perspective of change management then allows us to better understand how to effectively implement competency management with the goal of minimizing resistance in the organization and the impacts of the most common mistakes.

Before we get started

The first step is to **analyze the current situation and the needs of the stakeholders**. When introducing competency management, it is important to **find out what skills and competencies are missing from the management that will implement the model**, and most importantly, to clarify what we specifically expect from the change. This will help us identify key areas to focus on.

An essential element is **communication, communication, and communication**, including involving actors in the change process. The importance of **transparent communication** need not be emphasized. It is important to explain to employees why this change is important and how it can benefit them.

Managing such a change cannot be done without planning. It is necessary to create a clear plan that includes goals, steps, schedule, risk management, and a description of responsibilities. A comprehensible plan will help employees adapt to new requirements.

Employees need to be **supported and educated**. When implementing competency management, we must ensure that employees have access to necessary resources, training, and mentors.

The change implementation process needs to be **monitored and continuously evaluated**. This will allow us to make any adjustments to the plan if the development of the situation requires it.



Different approaches to change management in organisations

There are a variety of approaches to managing change in organizations. Each of them can be useful under certain conditions. It depends on the culture in your company, the style of management and leadership, and the size and scope of the change.

For inspiration, we list some of them.

Kurt Lewin's Three-Phase Change Management Model

The model of American social psychologist Kurt Lewin, **one of the oldest and most frequently used**, consists of **three phases**:

- 01 UNFREEZING**
We identify problems and the need for change, slowly relaxing existing rules.
- 02 CHANGING**
Gradually and controlled, we implement the change.
- 03 REFREEZING**
We focus attention on solidifying new forms of behavior or procedures.

AKDAR Model

This model focuses on the human element and its reaction to changes. It places fundamental emphasis on how individuals feel and how they can actively participate in the change process.

The ADKAR model is based on the following principles:

- A** Awareness of the need for change
- K** Knowledge of what to do during and after the changes
- D** Desire to participate in and support the changes
- A** Ability to recognize the need for changes and to implement changes if necessary
- R** Reinforcement to anchor the achieved results for future changes

Eight Steps of Change According to Kotter

John Kotter suggests eight steps that can help you manage changes.

Here they are:

01

Creating a Sense of Urgency

Initiate discussions about potential crises or major opportunities!

02

Forming a Powerful Coalition

Create a sufficiently strong group that will work as a team!

03

Creating a Vision and Strategy

Develop a strong vision to help guide the change process!

04

Communicating the Vision for Buy-in

Use all available means to communicate the new vision!

Find strong role models for change!

05

Empowering Broad-Based Action

Remove obstacles, change systems and structures that hinder transformation!

Support risky decisions and unconventional ideas!

06

Generating Short-Term Wins

Plan for small visible successes and "victories."

Recognize everyone who contributes!

07

Consolidating Gains and Producing More Change

Foster trust in change! Promote and educate people who have the capabilities to realize the transformation vision!

08

Anchoring New Approaches in the Culture

Highlight the connection between new behavior patterns and corporate success!

Develop managers and select suitable candidates!

With Sloneek app,
save 20 hours a week
on HR processes and operations

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Everyone Wants Change, But No One Wants to Change?!

The success of implementing change hinges on your ability to manage and mitigate the inevitable resistance to changes. Forcing change through can have serious negative consequences for the entire company. **What are the risks?**

- ! **Increased Resistance**
When changes are forced without regard for the needs and opinions of employees, it provokes strong resistance. Employees will feel threatened and ignored.
- ! **Decreased Motivation and Engagement**
Employees who feel they have no influence on decision-making will lose motivation and interest in their work. This undermines their loyalty to the organization.
- ! **Decrease in Productivity**
If employees are inadequately prepared for the change and new procedures and processes, it will lead to a decrease in productivity. Insufficient preparation for change brings confusion and uncertainty.
- ! **Loss of Talent**
Frustrated employees may seek other job opportunities. This could lead to the loss of valuable employees.
- ! **Negative Impact on Company Culture**
Forcing change can tarnish the company culture and create an atmosphere of distrust between employees and management.
- ! **Underutilization of Potential**
Employees often have valuable ideas concerning planned changes. Ignoring them means losing the opportunity to develop potential.
- ! **Financial Losses**
Unsuccessful change can lead to losses in terms of lower productivity, loss of clients, or a poor company image. This negatively affects your financial results.
- ! **Long-term Consequences**
Even if "forcing" change seems to work in the short term, it will lead to irreversible problems in the long run.

How to Manage and Master Change?

Here are some tips that can help you overcome resistance and support your employees in adapting to changes:

- ↳ **Explain** to employees **the reasons for the change** and how it will affect them.
- ↳ **Involve employees** in the change process. Let them participate in decision-making and designing new procedures. This will increase their motivation to accept the changes.
- ↳ **Ensure that employees receive sufficient training and support** to adapt to new requirements.
- ↳ **Show employees the advantages and opportunities** that can come with the change.
- ↳ **Develop a culture where emphasis is placed on learning, innovation, and trust.** Do not punish employees for mistakes during the change process. Pay attention to their efforts and progress.
- ↳ **Communicate the achievement of small victories** and results during the change process. Small victories can strengthen motivation and trust in the change process.
- ↳ **Lead by example**, be open and active. **Exempla trahunt** (examples lead).
- ↳ **Let employees express their concerns, opinions, and suggestions** regarding the change. Active listening and considering feedback will make them feel respected.
- ↳ **Implement changes gradually.** Allow employees to adapt to new procedures and ways of working.



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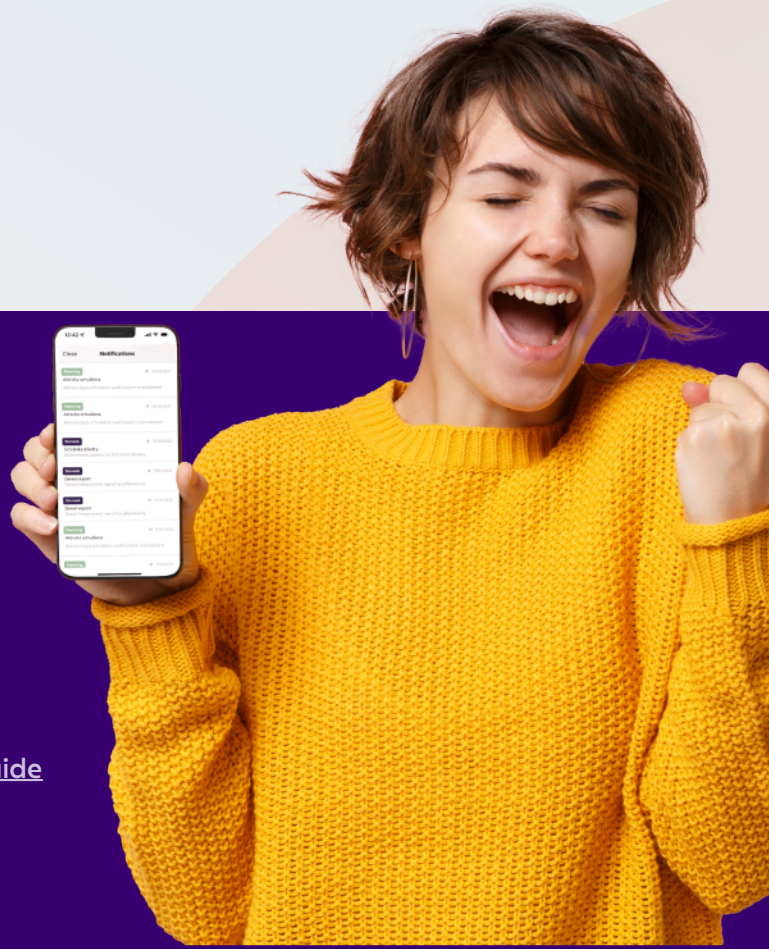
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Make Sure You... (otherwise, don't even start)

- ✓ Have a **strategy** in your company and your **vision permeates everything** that happens there.
- ✓ Have the **support of top management**. Not just formally declared.
- ✓ Have at least some HR agenda set up and are truly interested in both the results and the people.
- ✓ **Know exactly what you expect** from the implementation of competency management in your company. That you can convince not only yourself of the sense of change.
- ✓ **Really believe in it!**
- ✓ Are well **aware of the climate** in the company and can **anticipate possible pitfalls and risks**.
- ✓ Have **realistic goals**.
- ✓ Have **well-established processes** from which you can determine the competencies your employees need to have.
- ✓ Really **want to collect data and handle it responsibly**.
- ✓ Have **job descriptions (JDs) available for key positions**.
- ✓ Have **set up employee evaluations** and have a working **feedback mechanism** in your company.
- ✓ Have a **realistic employee development program** planned and have the necessary capacity for its implementation.
- ✓ Have **strong nerves** and understand that the human brain can be a formidable opponent (including your own). A cocktail of oxytocin, dopamine, and serotonin, mildly spiced with adrenaline and cortisol, helps more than a concentrate of the last two mentioned.*

* If you'd like to know more about hormone mixing (and we highly recommend it), do a little Googling. Simon Sinek, for example, writes about it in his book "Start with Why" in a very digestible way.

Ready?
Let's dive in!



Preparation of Competencies

So, we have everything we need for the preparation of competencies. Essentially, two situations can arise: **we have never worked with competencies** for individual positions (starting) or **we have already introduced competencies and need to change/improve/clarify/go into more detail**.

Regardless, go through the following **three basic points!**

01

For each role, we must determine how relevant it is to be structured as a **career path** (typically junior/medior/senior), and to what extent it is a unique role.

This is particularly important so that as **HR professionals or team leaders, you can more closely monitor the required shift in competencies for individual positions**. It also helps in planning capacities at different levels of seniority. This is related to **facilitating financial planning for wages/rewards**.

02

Define key competencies for the role.

These are such that without them, it is not possible (or only very difficult) to perform the role in full. We can see them as critical.

03

Be specific in the formulation of competencies and possibly evaluation scales.

The more specific the competency and the model are, the more specific and informative the data from the evaluations will be. Avoid general formulations and clichés as well as vaguely defined evaluation scales.

EXAMPLE

DEFINED COMPETENCY: **Communication Skills** – such a broadly defined communication tells no one anything. It's a very broad topic. It's more appropriate to choose the part of it that is key for the role.

For example: **Establishes relationships with key stakeholders, initiates and leads negotiations with clear outcomes**. These are specific manifestations of behavior/skills that are key to the specific position and should be assessed and developed.

The same applies to **setting evaluation scales**. What will you encounter?

YES / NO (boolean value)

Particularly suitable for assessing **"hard" competencies**. Use it where we do not evaluate any "in-betweens."

POLARITY EVALUATION

A more abstract form of evaluation. We assess whether the current **state of competency is closer to the undesirable expression represented by the value "0", or closer to the expected expression** represented by the value **"100"**.

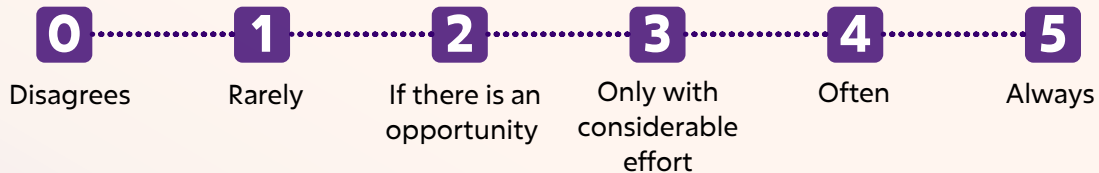
EVALUATION BY SCALE DESCRIPTION

Describe the scale values (e.g. 0-5) precisely so that it is clear what each level represents.

We use 2 approaches here:

Example 1:

Competency – **Sets realistic and relevant goals. Can plan.**



Example 2:

Competency – **Effective Communication**

0

Formulation of thoughts, whether in writing or orally, is significantly problematic; the ability to listen to others is limited; the transmission of information to others is sporadic and fragmentary.

1

Formulation of thoughts, especially in written form, is not frequent; has problems with listening; transmits information to others only when asked; his reaction to unexpected situations cannot be predicted.

2

In most situations, clearly and understandably formulates his thoughts both verbally and in writing; listens to others without major objections; shares information, reacts directly to a volatile situation; his communication is not always convincing.

3

Clearly and understandably formulates his thoughts both verbally and in writing; listens to others; argues assertively in a volatile situation; can attract others' attention with his expression; tolerates the opinions of others.

4

Formulation of thoughts in writing and oral form is at a very good level; actively listens to others; healthy and appropriate self-reflection is natural for him; can present in front of a group; can open communication, creates an environment to communicate with others; welcomes and develops the opinions of others; can evoke constructive conflict; demands feedback.

5

Formulation of thoughts in writing and oral form is at an excellent level; practices active listening without exception under all circumstances; healthy and appropriate self-reflection is natural for him; can present in a large forum with his expression; can convince others; can obtain their genuine opinions and work with them; can use constructive conflicts; can work with feedback; communicates with other cultures.

ATTENTION

In the second example, **pay great attention to a clear definition and a good argumentation of the required expression of behavior / skills.** It easily happens that the described expression does not clearly form the basis of the competence needed for the performance of the given role.

A few notes that will come in handy



IMPORTANT

We always build models based on work roles, never on positions.

A job position is linked to a "chair". It is uniquely defined, with a job description of the job position. **One person in the company has only one job position,** but they can be assigned **several work roles.**

A work role is a set of activities and responsibilities associated with a certain job position. This includes responsibilities, required skills, tasks, demands for the performance of the position, and a detailed description of what the work entails. Roles can also be typical project-based, hence **temporary.**

It often happens that work roles and positions overlap. However, this **does not always have to be the case!**

DO NOT FORGET

Consult models and their settings primarily with team leaders, but also pilot them with selected evaluated colleagues.

By doing this, you not only gain support and assurance of meaningfulness, but you can also get good feedback and conditions for relevant changes.

PRACTICAL TIP

Try as we do at Sloneek - **basic competencies** (basic soft skills) are part of the **code of conduct, culture.** They are a **COMMON AGREEMENT.** They are common for all roles in the company. They are not part of the role model.

Team leaders (but all mutually) **ensure they are fulfilled.**

You can see how we work with competencies at our company [here](#).

Competencies evaluation

The goal of the evaluation is to **obtain feedback on how individual employees are succeeding in achieving results and how to support the development of their productivity**. Quality evaluation with implications for performance management assumes setting clear goals, regular feedback, identification of areas for development, and creation of employee development plans.

In short: employee evaluations focus on two main areas. **What the employee has accomplished** (performance evaluation) and with **what skill and approach it was achieved** (competency evaluation).

ATTENTION

Competency evaluation is indeed a part of the comprehensive evaluation of an employee, however, any insufficiency in the level of competencies **MUST NOT BE TAKEN AS A REASON FOR PENALIZATION**, but rather as an opportunity for development.

Practical Steps in Evaluation

The competency evaluation is a planned process that both parties need to prepare for. Its goal is to gain a clear picture of how well the employee meets the requirements of their role and, based on that, to identify areas where they can develop their competencies. **How to do it?**

- **Set expectations for the given role**, and based on that, identify the key competencies that are important for this role.
- **Create evaluation criteria.** Define specific criteria on which you will evaluate competencies. Criteria should be measurable and objective.
- **Collect information**, observe job performance, conduct conversations with employees and their superiors, and get feedback from colleagues. **The evaluation methods include:**
 - **Observation of job performance.** Monitor how the employee performs their work and how they apply their competencies in it.
 - **Evaluation interview.** Prepare structured evaluation interviews focused on competency reflection.
 - **Feedback from colleagues.** Obtain feedback from people who collaborate with the evaluated employee.
 - **Self-evaluation.** Allow employees to assess themselves, how they perceive their competencies necessary for mastering the role.
 - **Results evaluation.** Assess the results achieved by the employee and correlate them with their competencies.
- **Evaluate the information obtained.** Compare reality with the expected standards and competencies.

- **Provide feedback.** Share the results of the evaluation only with the evaluated person, focusing on strengths and successes as well as on the constructive identification of areas that need improvement. Well-provided feedback aims to support development.
- **Plan further development of the employee.** Based on the feedback, create a specific development plan that will help the employee improve their competencies.
- **Regularly repeat the competency evaluation.** Only by doing so can you capture progress and update the development plan.
- **Competency evaluations can be conducted formally** (e.g., regular evaluation interviews) **or informally** (e.g., ongoing feedback). However, **it is important that the process is fair and transparent and that it serves exclusively as a tool to support the individual's development.** This will lead to improved performance across the entire organization.

PRACTICAL TIP

Definitely do not underestimate the preparation for the interview:

- Reserve enough time for it (at least 1 hour)
- Ensure conditions without disturbances
- Agree on the rules for feedback
- Create an atmosphere of trust (all discussed topics are confidential for both parties)
- Make a written record of the interview, preferably on a pre-known form.
- Do not ask to sign the minutes by both parties
- At the end, agree on new developmental goals

Who can evaluate?

The answer to the question is not straightforward; it depends on how your company's system is set up and what culture prevails. **The main responsibilities of the evaluator are to be able to explain to the evaluated the required competencies and help them formulate goals for further development.**

A typical evaluator is the supervisor, but colleagues can also get involved. Sometimes it makes sense to seek feedback from clients or applicants. With the help of a developed system or the evaluated themselves, specialists in human resources or external consultants can also evaluate.

What to watch out for in competency evaluation?

Any evaluation can be a demanding process for all parties involved. We are humans, and thus not immune to various mistakes that affect the objectivity and efficiency of the whole process. What to watch out for?

Confirmation Bias

- The tendency to evaluate someone based on the first impression or an already existing opinion.

Evaluation Based on Personal Likes

- Evaluators can be influenced by personal relationships and sympathies towards certain employees.

Central Tendency

- The tendency of evaluators to rate all employees as average in the middle of the scale.

Halo Effect

- The tendency to rate employees based on one dominant positive or negative characteristic.

Retrospective Evaluation

- The tendency to evaluate based on the most recent performance and forget their achievements and contributions throughout the entire evaluation period.

Group Rating

- In teams or group evaluations, there can be bias where an employee receives a lower rating due to the overall performance of the group.

Lack of Specificity in Feedback

- Providing general feedback without specific examples.

Poorly Set Evaluation Criteria

- Unclear, incomprehensible, objectively unattainable, or loosely interpretable criteria. Simply put, when the parties do not understand each other, it is difficult to build a meaningful evaluation that is meant to move the evaluated person forward.

Overemphasis on One Criterion

- Evaluations focused solely on one criterion or aspect of performance can distort the overall picture of the employee.

Working with Collected Data

The data obtained provide us with a wealth of information that we must continue to work with so that the energy and time invested in working with competencies truly bring added value.

Individual Development Activities

Quick identification of insufficient development competencies for specific roles.

-> Possibility of rapid and very targeted individual development

Detailed Planning of Development Activities

Especially in soft skills, it happens within the models and is transferred across various positions. This allows the assembly of development activities for different positions, yet with the same developmental need.

-> Diversity of participants in development activities helps to gain a variety of perspectives on one developmental area (each experiences it in different situations)

Capacity Planning

Including individual workers into individual models (and thus at the same time career levels) takes into account the total work capacities at individual levels.

-> This significantly speaks not only to project planning but also to the necessary capacities for recruitment.

More Accurate Recruitment

Models help us clearly orient to key competencies for each role and provide a detailed view of the necessary skill set for candidates.

-> Functions as some kind of control checklist - if necessary, development of unsuitable candidates for one position or selection of talent for another position.

Identification of Talent and Work with It

We often do not even realize what "treasures" we have in the company working for us. Where some get to in 5 years, others manage in a year. And that's something you need to know.

-> Quick identification of talent and their focused development has a significant impact on their motivation to work, but especially on them staying in the company.

Comparison of Competency Levels in Specific Roles within the Company

Many roles are filled not only within one department/section but across teams in the company. Comparison allows us to look for possible common shortcomings and their reasons.

-> Possibility of rapid and very member-focused team development.

Planning Career Advancement

With the help of competency models, or their evaluation, we enable proactive (rather than reactive) response to the current level of competencies of individual colleagues.

-> This way, you can better plan to work with their career advancement.

Acceleration and Increasing the Effectiveness of Adaptation

Adaptation phase can be seen from a critical perspective. Competency models enable us to focus intensively on not yet achieved levels of key competencies, possibly speed up the achievement of their desired level.

-> Rapid adaptation to the environment and position means a lot. For the new colleague, it means "faster start" into the process, for the company a reduction of the unproductive phase of the life cycle.

In the final phase, we collect data to visualize the length and state of the life cycle of colleagues. Because in HR, it's about trying to maximize their most productive phase.

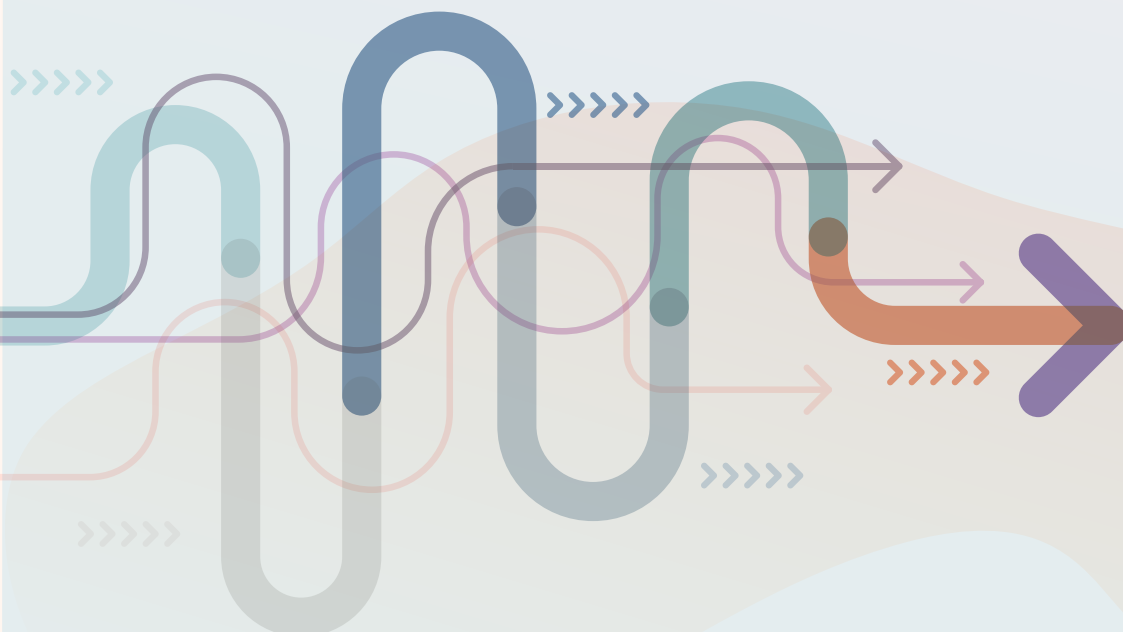
For this, data such as the **length of the employment relationship, performance indicators, the current level of competence within the competency model, data on selected training, and the quality of feedback and development trends are required.** With these indicators, we can better work with the probability of departure and looking for ways to effectively share knowledge.

Do not forget that **the more carefully the model is constructed, the more relevant data you will receive.** The more general the model, the worse you will work with the data. So let's pack the rule from the **Preparation of competencies** chapter:

Include in the model such competencies that are directly related to the performance of the given role and are **ESSENTIAL**. The model will not only be about the model itself but also about making sense to everyone who will work with it.

IMPORTANT

Do not forget about the **communication of the next steps after the evaluation and the subsequent collective agreement.** So, what comes out of the data, we don't have to work with it, what development methods we will choose. **This is key so that people in the company know that it was not just evaluated "just so," but that we work with data intensively in their favor.** In the opposite case, you will be evaluating very hard to repeat!



Evaluation of Education

Remote education that does not follow the evaluation of competencies is key. It is essential to plan development activities and evaluate their impact based on data. The absence of any reflection on development is just as fatal as the selection of development activities based on feeling or assumed needs.

Why is the evaluation of education in organizations so crucial and how to make it effective?

→ What I don't measure, I don't see

Repeating phrases, although based on practice-proven truths. **If you do not know where you are investing for the development of your people, it will be difficult for you to value such an investment and at the same time to defend it.**

→ Educational programs must have clearly defined goals

It's also necessary to establish certain criteria, on which basis the education will be considered effective, to achieve the necessary, respectively, impossible topics. Primarily you need to verify whether a push in competency level was indeed achieved, or not. Thus, we return to point 1.

→ Low budget does not mean NO QUALITY

The level of the budget for you should be more challenging. Competencies, respectively their evaluation, will help you set priorities and aim for intensive development. It has been proven many times that **if you show management the effectiveness of invested funds for development, you will find new / additional resources.** Often faster than you might imagine.

→ Low ratings or the impact of development activities are threatening for HR

Not if the system does not systematically replicate the same results. It is only based on data that you search for new paths, new lectures, mentors.

PRACTICAL TIP

The creation and evaluation of competencies, just like the preparation of a development plan, its realization and evaluation, is an endless process that will be different every time according to needs. Do not always use the same predefined courses. **With each new evaluation, new development requirements and a single goal arise!** That must be approached with flexibility and adaptability.

Challenges and Pitfalls

Introducing competencies is a complex process that requires a cool head and some patience. Just as a captain needs to be aware of challenges and pitfalls, we should look at them together to prepare better. We have looked at HR, which will probably lead the whole project, and the perspective of team leaders, who will work with competencies on the front line.

HR Perspective

The HR perspective is broader and more holistic. HR considers the needs of the entire organization, while team leaders often focus on their own team or department. HR can also devote more time to multi-year strategic goals in employee development, while team leaders might focus more on short-term goals and results.

What common mistakes might we encounter in HR?

Vague definition of competencies: If competencies are not clearly and specifically defined, it can lead to misunderstandings in expectations and ultimately to incorrect evaluations.

Example: If it's said that an employee should have "good communication skills," what does that exactly mean? Should they be able to conduct a presentation, communicate with clients, or work effectively in a team? A more precise definition, for example, "ability to communicate technical information clearly," would guide us in a more specific direction.

Insufficient feedback: Regular feedback is the cornerstone of employee development.

Example: If an employee doesn't know where they stand, they do not have the opportunity to improve. Inadequate or non-existent feedback can lead to frustration and feelings of insignificance.

Unsystematic approach to development: Competency development always requires a structured and thought-out approach.

Example: If HR does not create and follow a clear development plan, it can cause employees to randomly seek ways to improve without achieving actual results.

DO NOT FORGET

Define competencies clearly: Regularly update and refine competency definitions. It is not by chance that it is about the most vital aspect of life, the biggest threat and error you can encounter. Competency formulations require regular attention, they still need to make sense.

Support communication: Regularly support openness in feedback and evaluations. Give your utmost to ensure that fear, concerns, and reluctance are replaced by one of these three positive components (long-term) motivation will not fail.

Work with data: Data and outputs help give the whole activity meaningfulness, understanding, and a basic point of sustainability of the project. Be transparent in communicating results. There is nothing worse than when you want data from your people and then do nothing with it, or you do not share the results...

Team Leader's Perspective

Team leaders have direct contact with team members on a daily basis and are responsible for achieving specific results. Their perspective is crucial for understanding how strategies and company policies are implemented in practice. Team leaders can identify specific needs, challenges, and opportunities that may escape the broader HR perspective.

What common mistakes might we often face in team leaders?

Subjective Evaluation: Without specific metrics, the evaluation is based on personal judgments, which may not accurately reflect long-term performance and abilities.

Example: If a team leader evaluates based on a "feeling," it can be influenced by recent preferences instead of long-term performance and capabilities.

Absence of Regular Feedback: If the evaluation happens once a year, often the thoughts are based on what happened in the last 8 months. Regularity of feedback secures "anchors," which help in maintaining objectivity in evaluation.

Example: If a team leader cannot provide precise examples of situations where insufficiently developed competencies occurred, it's difficult for the employee to understand why they are viewed as inadequate. This reduces the space for motivating their development.

Limited Time for Development: Team leaders often battle with time constraints and might neglect the development of their team members.

Example: If most of the time is dedicated to short-term tasks and urgent problems, long-term development might be neglected.

Lack of Knowledge of Available Resources: Not knowing the tools and resources available for development can limit growth opportunities.

Example: If most of the time is dedicated to short-term tasks and urgent problems, long-term team development might be neglected.

DO NOT FORGET

Objective Tools for Evaluation: Implement metrics and tools that ensure objective evaluation.

Planning and Prioritization: Allocate specific times and resources for developmental activities.

Communicate with HR: Regular communication with HR ensures that team leaders are always informed about available resources.

FAQ - Frequently Asked Questions from Practice

How specifically or generally should we formulate competencies?

- The more specific you are, the better everyone will understand the requirements, and the better data you will have. Look again at the chapter **Preparation of Competencies** for an example.

Top management has sent me competencies "to the attic"

- In the seemingly complicated project of implementing competencies and their evaluation stands a very simple, "farmer's logic". To be business effective, and therefore meaningful, we need to know what skills we need to have in the company and where they could stand. This is one part. The second part is the current state - how far in the company people are, what higher value they bring - assuming they are sufficiently motivated. So, we then move to planning their advancement, sufficient equipment of team leaders, and planning within the company as a whole.

Mostly today, it turns out that when you propose a competency implementation project to management without data support, without clear arguments, the **leadership always prefers to hear numbers**. Use the model case in every situation. **Be ready and prepare them a clear table of advantages**. A simple recognition that for the implementation of a competency model to function, you need to minimize it. Apart from that, you need to have data from performance evaluations, possibly interviews or one-to-one outputs. Without a system, this part will not be easier.

Employees are afraid of evaluation, especially from a negative aspect, which they can expect if they do not have competencies where they should have.

- Fear is not only about the fear of inadequately developed competencies. Fear is in this case formed from two basic reasons, which together name **EXPERIENCE**:
- Experience that we do not bring from school benches (ignorance = test)
 - Or the culture and environment in which people in the company exist.
- If any of these reasons applies to your case, any reluctance will be very quickly resolved

Employees do not see the point in development that is tied to managing skills, and they want to educate themselves in what they enjoy.

- **Zájmem zaměstnavatele je**, aby byl výkon práce na jakékoliv pozici co nejefektivnější. The interest of the employer is that the performance of work in any position is not less effective. The priority will be to invest in such development because its results will be quickly reflected in practice. If you want to maintain the employee's interest in self-education (in the form of benefits), there is no direct impact on performance, of course, you can, but it goes to a completely different development.

In HR, they do not understand competencies, positions in my team do not know them and push their view on gaps: key competencies

The introduction of leadership competencies is a **JOINT** project. If the key aspects of management and HR do not want to work together on it, there is no sense in starting it. Because if people see a lack of unity in knowledge, they will not be motivated to participate in the evaluation. If you have doubts about how well the team understands, you need to talk about it together. Adjust the view on how you want the competencies to be organized, and find a common end of the rope to pull. [Our e-books](#) can help you with this.

Preparation of competencies is very time-consuming, I do not have as much HR time and space

Part of the "homework". First, let's return to the beginning. If your competency management gives the impression (and we believe it does) that the team and management understand competencies equally, then do it - do it. With this, you are quite effective after digitizing intelligence. The reader of this e-book (created in 2023) we tested in detail as a person who wants to enforce competency models in ChatGPT-4. In a purely digital age, significant development and deployment of artificial intelligence are expected throughout the organization. Artificial intelligence has its specifics and works with it. So take a look at our competency library with a [link here](#). You will also find a helpful e-book on working with AI in HR :)

Competencies are just a waste of time, nobody works with data, so there is no reason why I should lose time and just tick a "checkbox"

In the stern look is also the answer. If we want to collect any data and if we're not going to work with it in any meaningful way, then let's not collect it. Especially in a situation where data collection requires the cooperation of people in the company.

→ Competencies, or rather the assessment of their competencies are not a waste of time, on the contrary, in the long run, time and money they can save. Especially in that everyone knows what to do, development activities are not random but targeted (and therefore ultimately cheaper), you can recruit much more accurately, and you won't waste a lot of money on recruiting a person who leaves after 6 months - this is a net write-off and can be even in the order of thousands of Euro.

Line management complains that we just create more work for them

Line management should primarily know that taking care of their people is absolutely the top priority. They must support them in performance, motivation, and satisfaction. Sit down with them, use the checklists in this e-book, and try to simply explain the benefits for them. From experience, we know that another way (together with support from top management) basically does not exist. The competency model is here not only for the leader but for the entire company.



For management, it exists so that leadership knows how education and employee development are secured and to achieve excellent performance, respectively, fulfillment of strategy.

It is also there **for HR professionals** to be able to quickly respond to the needs of the company not only in recruitment but also in education.

It exists **for the manager** so that they don't have to "reinvent the wheel," but rather can devote time to developing their agenda and have adequate colleagues in the department or other organizational unit.

At the same time, it is there **for the employees themselves**, who through the competency model gain space for meaningful development and thus motivation for performance.



Competency Models
Performance Evaluation
Surveys
HR admin

H'll come in handy...

Calculation of the Profitability of Using Competency Models

When we talk about education as an investment, we must look at the return on investment. **The basic assumption for success is that information gained from competency evaluations will help in preparing more relevant education and development.** This includes the ratio of the relevance of training content using data from the competency model versus without it.

Years of practical experience lead us to estimate that in commonly purchased trainings, we find approximately **40% of content filler** that employees do not use or which is not relevant for their competency growth. This is because part of the content is already known to them, they have attended a similar course before, or it is simply not relevant from the perspective of the role they hold. At the same time, we assume a **20% reduction in the presence of this filler** by using data from the competency model for planning the content of education.

In the following table, we can observe the economic savings we can expect at standard market prices if we use data from the competency model for planning education.

Modeling - a company with 500 people

Estimated average price for 1 training for 1 person: 120 EUR / day*

	Training 1	Training 2
Relevant value of 1 training (after application/ use of content in practice)	72 EUR (60 %)	96 EUR (80 %)
Loss per person and 1 training	48 EUR	24 EUR
Loss per person for 5 trainings	240 EUR	120 EUR
Loss for the company for 5 trainings / 500 people	120,000 EUR	60,000 EUR
Cost per person – competency model	0 EUR	20 EUR
Cost for the company – competency model	0 EUR	10,000 EUR
Difference in inefficiency of training when accounting for the cost of the competency model	50,000 EUR	

* Based on the average daily rate of a quality lecturer (960 EUR) and a class size of 8 people.

Therefore, the actual loss, i.e., the actual cost, is equivalent to 416 school days for one employee.

The other part of the cost optimization is either the benefit or savings from the activities of employees who have undergone precise training for their task, which could not be achieved without using the competency model (or they would not reach it). It is clear that such an employee will likely perform their work more effectively. This part is difficult to quantify but from a logical point of view, it is clear that it is a significant "plus."

Checklist of Steps Necessary for the Success of the Entire Action

Before You Start Working with Competencies

- ☐ **Align the collective expectations with top management.** Everyone in it must have a clear support for the whole action. Start with the strategy.
- ☐ A company-wide coherent strategy must exist, ideally in case of any ties to the world. **A company needs to know where it's coming from and where it's going.** The coherent strategy presents the general manager to lower management levels.
- ☐ Every level of management must not only grasp but also be able to work out their area strategy (e.g., sales), which builds on the company-wide one. About it, sitting one on the other, must together evaluate the line manager, in larger firms, the department leader with the general manager.
- ☐ Every line manager must be able to ensure the compatibility of the set strategy with processes. The smoother you keep the processes, the better. Complicate the least. **Don't create, but remove duplicity!**
- ☐ For individual team roles, formulate key requirements for knowledge, abilities, and skills (competencies). Then with the hand of the HR person, all managers unequivocally assess. Do not complicate the requirements and **select only the key ones** without which you can't do in a particular position.
- ☐ **Carefully prepare the managerial position training** after the evaluation of competencies in their subordinates. Keep the main rule: the results of the evaluation must not become the subject of penalties, nor of bonuses.
- ☐ **Carefully prepare internal communication** with individual team colleagues. Keep in mind that "imperfection" is not a reason for dismissal, but for development and advancement, hence motivation for oneself to push forward. (Comment: in practice, the team presentation with HR representatives proved the most effective. For HR this means a more time-consuming way, however, if the competency evaluation is taken positively, it means a much higher success rate).
- ☐ **Dismantle the results of the evaluation** and prepare carefully the tasks for training and development activities. Avoid buying prefabricated training. Any development must aim at the complementation of competencies - a seamless transition to practice. You have a clear overview of which competencies will build your people. For this reason, you have space for development activities to clearly demonstrate how much it is real, e.g., simply fill in the requirement for the least content filler (so that no one will use it).
- ☐ **Check how well the plan has worked:** how competences have been added and where they are needed to make changes. You have the data, use it!

Preparation of the Competency Model

Now we'll go into more detail. We ourselves have experienced various approaches in practice, from which something worked more and something less. To save you time and limit potentially "reinventing the wheel" and erroneous attempts, we have prepared another list that will come in handy for the individual preparation of competency models:

- ☐ **Clarify the goals and objectives - what does it bring you?**
It is necessary to clarify how the model will work within the company structure. There is no universal panacea.
- ☐ **Clarify the process.**
Preparation without a plan is a prelude to a process that is easy to abandon. Access to creation should be flexible and responsive to changes.
- ☐ **Collect all crucial data.**
Without information relating to the strategy and positions within the company structure, a viable model cannot be created. Gather resources and documents, observe, create surveys, invite colleagues to ask. Then set the model in a way that will solve your company's problems.
- ☐ **Define key competencies.**
Aim for behaviors and abilities of ideal employees. What is it that they excel in? Don't forget to take into account the demands of the company culture.
- ☐ **Describe competencies specific to individual positions.**
What do employees need to know, be able to do, and be able to succeed in their position?
- ☐ **In managerial positions, expect behavior according to different levels of management.**
The clarification of expectations supports transparency in evaluation. The goal is not to find out who is the best, but to show that everyone can be "better".
- ☐ **Finalize the list of required competencies.**
Be realistic and very specific. Ensure that your company's goals will be met through the described competencies.
- ☐ **Have the model opposed by all key players.**
- ☐ **Create a competency model.**
- ☐ **Start using it in practice.**



Handbook for Leaders

Procedures and approaches for
Competency assessment by team leaders



#no sheets

You now have a manual in your hands that will support you during the initial competency evaluations in your team, or whenever you return to their regular evaluation.

Whether you are embarking on building and evaluating competencies on your own, or you want to know more about competencies in context, we definitely recommend reviewing the previous e-books – an introduction to the Creation and Evaluation of Competencies and a Practical Guide to the Creation and Evaluation of Competencies.

View competency evaluation as a great helper, not as another administrative torture by management or HR department. Everything is built only on common sense with a simple goal – to align the needs and requirements of the company with the possibilities and capacities of the people who work for the company.

A Quick Context at the Start

What are competencies?

Competencies represent a **combination of knowledge, skills, experiences, and attitudes of people who work for you** (or could potentially work for you). This combination also directly influences the performance and work success of employees. It is essential to clarify which specific behaviors lead to the performance you expect from people and to be able to describe it clearly and concretely.

What will their implementation and evaluation bring?

- When you know what people in your company need to know and be able to do, it is much easier and faster to find and select suitable candidates with a greater chance of job success.
- When new employees have clear information about what they need to know and be able to do and what you expect from them, the onboarding process will be more effective and successful.
- When you know what you expect, the plan for further education and development will be clearer for both parties and will yield faster results.
- When you understand what and why your employee needs to know and be able to do, you can measure their performance much more effectively.
- When you compare the performance of people with what you expect, you can more quickly identify the talents that you need to develop.
- When your employees perceive that you pay attention to their ability to succeed in their work, their loyalty will increase and it will be easier to retain them in the company.
- When new team members integrate more quickly, they will be able to add value sooner, but most importantly, their motivation will significantly increase. This is also driven by the accelerated achievement of the required competency demands.
- When you precisely know where the reserves of your people are, you can more easily focus attention there in education. The invested resources into their development then return more effectively than by attending generally set courses.

It is fair to say that, as with other change activities, at the outset, preparing an evaluation will give more work. **But always keep in mind the benefits you will gain.** Each successive iteration is just routine, but it helps (not only) to keep your whole team moving forward!

And now let's move on to practical matters.

- It's about 3 simple steps:
- **Understanding and comprehending the competencies** assigned to your people
- **Conducting the evaluation interview**, including the biggest threats and mistakes we have observed in practice that you may encounter
- **Working with data** and support between evaluations

Let's dive in! →

Getting Acquainted with the Competencies Assigned to Your People's Positions

IMPORTANT

The competencies of people in your team are directly linked to team and corporate processes and team and corporate strategy. **CORPORATE STRATEGY** determines the direction the company is heading. **TEAM STRATEGY** determines how the team as a whole contributes to fulfilling the corporate strategy. Every line manager must then be able to ensure compatibility with processes based on the established strategy. And **PROCESSES** answer what **COMPETENCIES** individual positions in the team must have in order to be able to fulfill processes and subsequently the strategy.

Understanding Key Competencies

Key competencies are essential for performing a certain position or task. They can include technical skills, interpersonal abilities, critical thinking, and more. Simply put - without them (or at an insufficient level), the respective employee simply will not perform the work as expected.

Each level of expertise (competence) should have clearly defined expectations and standards.

This helps to ensure that the evaluation is consistent across the entire team.

Adopting Ongoing Monitoring of Competencies

Competency evaluation is not just a "momentary" activity. It is about continuous monitoring and providing immediate feedback. If it occurs immediately after a shortfall is identified, it is much better fixed and creates a significantly larger space for understanding **why it is important.**

Don't forget to collaborate with the HR department or assigned buddy to ensure that evaluations are in line with the overall company strategy and take into account the needs and goals of the organization.

Conducting the evaluation interview

Preparation as a Leader

Part of competency evaluation is providing feedback. Before the feedback discussion, prepare notes that will include the following:

- **A very specific example of behavior that you would like the subordinate to change**
- **Instructions on how this behavior should look correctly according to you**
- **An overview of their behavior or actions that deserve praise**

IMPORTANT

Nikdy se nespolehejte na to, že máte vše v hlavě. Přípravě na každé jednotlivé hodnocení věnujte dostatek času na přípravu. Vráť se vám to, protože to bude jednoduše na vašem projevu vidět. Není nic trapnějšího, když vás důsledek nepřipravenosti dovede k odpovědím typu „**Prostě jsem to tak řekl...**“ nebo při odpovědi na dotaz, co se má tedy změnit, odpovíte „**Nevím, udělej to prostě jinak...**“

Preparation of Subordinates

Keep in mind that openness and the creation of a supportive environment significantly reflect on motivation for improvement, self-awareness, and self-development. **Stick to several principles:**

- **Transparency:** Make sure that employees understand the entire evaluation process, including how competencies will be evaluated, what criteria will be used, and how the results will be utilized.
- **Setting expectations:** Discuss expectations for the evaluation, including the employee's role in the process. Employees should understand their responsibilities and what is expected of them.
- **Trust and empathy:** Create an environment where employees feel comfortable and safe to openly express their opinions, feelings, views on their performance, and developmental needs and activities.

Course of the Evaluation Interview

During the evaluation of a colleague's competencies, it is crucial to be as transparent and objective as possible. It may sound cliché, but it is very important. **Do not forget, the goal is to support the growth and development of lacking competencies.**

Asking open-ended questions in this context is very useful because it provides space for detailed answers. This enables a better understanding of abilities, attitudes, and the motivation of the subordinate.

PRACTICAL TIP

Before the conversation with a subordinate, get into the mindset of "**I do this with respect and believe in change.**"

Beginning of the Interview

Welcome your colleague to the interview. Offer them water or coffee (tea). If they are nervous, you can lighten the atmosphere with **some small talk** (start with something unrelated to work).

Core of the Interview

State the reason for your meeting:

"I would like to discuss a specific matter with you today, one that I would like you to work on."

Bring a summary of positive evaluations (you should have your written notes ready):

"I appreciate your work..."

"I like how you can..."

"When you showed initiative yesterday..., that meant a lot to me..."

When providing feedback, stick to the structure **I - C - A - R - E**.

"I" Language

Express yourself starting with:

"It doesn't sit right with me because...", "I would like you to..."

Clarity

Describe what might be the most ambiguous and the most unambiguous behavior of the colleague that bothers you. Provide very specific examples (you should have them prepared in your written notes):

"I liked how you told your colleague that in this case, you really can't help."

"Today you laughed quite exaggeratedly – that I did not like."

NOTE

For colleagues who have enough self-reflection, give them the opportunity to specify the error themselves.

Acceptance

Together, agree on a friendly solution that both of you will be able to accept. The solution will include:

- What the behavior or action that the subordinate should apply looks like (the most precise description).
- When you will meet again to verify that it has been achieved.
- The steps the subordinate will take to reach this state.

Recommendations

Describe to the subordinate how they should change their behavior (your suggestions and recommendations should be prepared in written notes):

"I would like you to find a different formulation for such cases. Maybe..."

"I wish you wouldn't criticize your colleagues."

Advise them on what they can do to make this change easier. Offer your support as a leader, of course:

"If you need to talk about it again, I'm always available."

"Do you think a course on handling stressful situations could help?"

"You've solved similar situations perfectly before. What if you approached it in the same way and didn't give up?"

NOTE

For colleagues who have succeeded enough, give them the opportunity to suggest their own corrections.

"How do you think it would be appropriate to behave in the same situation next time?"

"Do you have an idea of what could help you to manage it exactly like this?"

Eye Contact

Maintain eye contact with your colleague throughout the interview. Pay attention to this, especially if the colleague is not doing it. Avoiding eye contact can make the subordinate seem untrustworthy.

Conclusion of the Interview

Summarize what you have agreed upon together. Set a date for the next meeting when you will focus on the same issues and jointly assess whether the change has actually occurred.

It is always better to write down the final agreement made during the interview, at least electronically. But, it's particularly important to perceive that a **real agreement has been reached** (i.e., that the colleague is internally comfortable with what you have discussed). If you see signs of disagreement, reopen the topic together – it would have come up sooner or later anyway.

Common Mistakes

Lack of "I" language

Many evaluators lack the courage to provide feedback on their own behalf and use very general phrases:

"You know what they say..."

"Everyone claims that..."

"The whole team is talking about how you are..."

Lack of Clarity

The evaluator stays on a general level and does not specify what the mistake is exactly.

"You're quite unpleasant to clients."

"You often use inappropriate language."

Or the evaluator cannot suggest how to work with the mistake.

"Do something about it."

"If you don't change, we'll have to part ways."

Lack of Mutual Agreement

At the end of the interview, there is no agreement, only a one-sided instruction.

"Just do it this way and that's it – your excuses for why it can't be done don't interest me."

Interview Rules

- **Don't forget the right mindset:** "I do this with respect and believe in change." (Subordinates will quickly sense disrespect and distrust from you.)
- **Let the subordinate speak, don't interrupt them**, just make notes if necessary.
- **Maintain eye contact.**
- **Observe both verbal and non-verbal communication** and consider what your colleague is communicating. (Do they show interest in their work? Or do they seem annoyed, lacking energy?)
- **Listen, verify your understanding, and discuss any objections** ("this makes me a bit scared...", "I might not be able to...") and resolve them.
- **Do not attack, argue, or raise your voice** – stay calm and balanced.

Discuss the Plan for Further Development

Always remember that deficiencies in the development of competencies (skills, abilities, knowledge, behavior,...) **ARE NOT A REASON FOR PENALIZATION**, but rather a space for **DEVELOPMENT**. You, as a team leader, want work in the team to flow "on rails". Without problems, within all established rules at the workplace.

Setting Goals

Work together on setting specific goals for development and improvement in areas that require clarity. **Especially about the most crucial complement of those competencies that are KEY for the given position. Design goals (SMART) that are specific, measurable, achievable, relevant, and time-bound.**

Be sure to **describe the development requirements clearly** and in detail not only for the sake of compliance and understanding of you and your subordinate, but also for further possible processing by HR or human resources responsible for the implementation of development activities!

Support and resources

Offer support and resources that can help your people achieve these goals. If you are unsure, consult with your line manager or again with HR or the people responsible for implementing development activities.

Monitoring progress

As we mentioned in the introduction, continuous work and regular feedback is key. As part of this not only do you and the employee continually assess progress, but you also offer support in self-development. **And that's key.**

It helps if you **create a plan for ongoing feedback.** Be prepared to adjust goals and plans if the situation calls for it, and be flexible in response to developments and employee needs.

We're at the end. Remember...

- ↳ We have put in the best we know, but each company is unique thanks to its people. **There are no universal rules!**
- ↳ Be patient!
- ↳ Be persistent!
- ↳ Do not be discouraged by possible initial failures!

Good luck!

About the Authors of the E-book



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Dita works as a coach, lecturer, and consultant in the fields of personal, career, and organizational development, change management, and leadership. In her work, she focuses more on analyzing problems and seeking solutions, working with values, and emphasizing consistency and authenticity – hence, the success of individuals and organizations. In her activities, she is primarily concerned with building and developing communities, adept at understanding what is needed and promoting people, resources, and ideas.

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Milan is the co-founder of the HR system Sloneek, where he is responsible for HR and operations. He spent a significant part of his career in marketing and HR consulting for management. He is a proponent of the concept of corporate education as an investment and managing life after competence. He is the vice-president of the academic club of the Czech andragogy society. He studied andragogy and marketing, in both fields he obtained a doctorate. He believes in lifelong education and development as a way to prevent crises.

Sloneek | sloneek.com



Sloneek is an HR system for the 21st century, designed to support HR departments and the investment of time into the life of the company, rather than into excessive administration.

And this is the core idea behind the development of this application. Supported by artificial intelligence, we create for HR, management, and end-users an environment that can collect and use data for much more precise decision-making. Wherever there are people.