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The Challenge of Managing Skills and Competencies

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Too often, organizations use the terms "skill" and "competency" interchangeably. And while we would like all of our employees to be both skilled and competent, these terms have very unique meanings, and can each play a unique role in a learning strategy.

LatitudeLearning's My Team Skills Page feature manages the competency profiles of the team and is an essential action that affects efficiency, customer satisfaction and profitability.

The ability to easily review, adjust and drive skill-building activities is critical to people planning and ensuring the ongoing capability of the team.

The LatitudeLearning My Team Skills page allows managers to adjust team performance and actions from a single page.

The distinction is this: Skills are specific behaviors that allow someone to perform a specific task. Competencies are sets of skills and knowledge that allow a person to perform broader job functions. Skills make someone effective at one job, competencies allow someone to move and grow across multiple jobs.

That doesn't mean that competencies are better or more important than skills. You can't have one without the other. Competencies are more critical in terms of the organization's long-term vision and ability to shift over time, and skills are necessary to get stuff done. It is critical to make the distinction and determine what your organization needs to be focused on.

In today's fast-moving business environment, organizations need to be more flexible than ever. In order to do that, companies need to know what's at their disposal. This means having a clear definition of the competencies the organization needs and a solid skills inventory that makes up those competencies.

This is easier said than done. In Brandon Hall Group's 2019 Competency and Skills Development Survey, we asked what some of the biggest challenges are. Nearly half (47%) of companies say they don't have a plan for identifying the skills and competencies they will need in the future, and 45% say they don't have the right technology to assess and track the development of their workforce.

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By managing skills within the extended enterprise learning platform, a company can make adjustments location by location, making sure each partner has the skills to do the job that needs to be done.

Having a skills inventory and the technology to manage and address it are critical. As business needs change and new skillsets are needed, it makes more sense to map these needs against an existing inventory and determine what is available than to simply start looking to hire for the new skill sets. Gaps can be identified, triggering learning initiatives to address them.

Yet just 56% of companies are storing and accessing their skills and competencies via an LMS. Most of the rest are using their HRIS or performance management platforms. This adds layers of complexity when it comes to addressing gaps, creating a disconnect between skills and learning.

This becomes a bigger challenge in an environment where the organization relies on skills from a partner network. It is one thing to be able to provide training to these partners, but without insight as to the skills available, it becomes hit or miss.

In these cases, where extended enterprise training is critical, it becomes even more critical to have the right technology. It is already difficult to know what is happening within these external partners, resellers, and franchisees.

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