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How are Global HR Competency Models Evolving for the Future?

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How are Global HR Competency Models Evolving for the Future?

Abstract

Question: To update the HR competency model for the future, how are global HR competency models evolving? Are there any other HR Competency models that are being applied successfully in multinational organizations?

Keywords

Human Resources, globalization, HR competency models, designing HR competency models, competency models, global competency models

Comments

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Executive Summary

Question: To update the HR competency model for the future, how are global HR competency models evolving? Are there any other HR Competency models that are being applied successfully in multinational organizations?

Change of environment & challenges to HR:

Profound shifts in the global marketplace are ushering in a new era of complexity, uncertainty and change for companies. The rise of the internet and related technology has accelerated these market shifts, upending business strategies, models and processes along the way. ‘Advances in technology and globalization’ as well as ‘shifts in labor demographics, customer needs, and competition’ are identified as underlying forces that will have the biggest impact on their organization’s talent requirements in the years ahead.¹ And as emerging markets are becoming the new centers of gravity for the global economy and the top strategic priority, competition for talent is becoming fiercer.²

As for the greatest challenges to HR over the next 10 years, more than one-half of surveyed HR professionals chose ‘retaining and rewarding the best employees’ and ‘developing the next generation of corporate leaders’. About one-third chose ‘creating a corporate culture that attracts the best employees to the organization’, ‘remaining competitive in the talent marketplace’, and ‘finding employees with the increasingly specialized skills the organization needs.’ Compared with responses to the same questions in 2010, in 2012 HR professionals were more concerned with **‘remaining competitive in the talent marketplace’**, and **‘developing future leaders.’**³

Skills required to cope with challenges:

① **Digital skills:** The fast-growing digital economy is increasing the demand for highly skilled technical workers. In particular, the emergence of social media is putting a premium on developing new forms of digital expression and new media literacy. Of all technical capabilities, digital business skills are most critical. Remotely hosted, Internet-based technologies are replacing ‘on-premise’ systems. To serve business requirements in nimble, strategic and consultative way, HR needs to embrace new technologies.⁴

② **Agile thinking and risk leveraging:** In a period of sustained uncertainty, where economic, political

and market conditions can change suddenly, agile thinking and the ability to prepare for multiple scenarios is vital. In industries that face significant regulatory and environmental cross-currents, the ability to prepare for multiple scenarios is important. HR should leverage risks by clarifying where would more risk-taking help rather than hurt the company dealing with complexity and paradoxes.⁵

③ **Interpersonal and communication skills:** Overall, co-creativity and brainstorming skills will be greatly in demand, as will relationship building and teaming skills. This reflects the continued corporate shift from a command-and-control organization to a more fluid and collaborative style. The capacity to align strategic goals, build consensus and encourage collaboration will become paramount. HR executives put a high premium on innovative thinking, dealing with complexity and managing paradoxes.

④ **Global operating skills:** Reflecting the impetus of firms to expand in markets around the world, the facility to manage diverse employees is seen as the most important global operating skill. In the US, where companies are embracing globalization and seeking to penetrate new markets, understanding international business was identified as the top global operating skill required. These operating skills will become even more important as globalization enters its next phase, 'Glocalization.'¹

Latest HR competency models:

① RBL Group HR Competency Model

In 2012, The RBL Group, with the Ross School of Business, University of Michigan and HR professional association partners, completed a sixth round of the 2012 Global Human Resources Competency Study. They collected data in this round of HRCS from over 20,000 individuals. They have determined six fundamental competency domains: **'strategic positioner', 'credible activist', 'capability builder', 'change champion', 'human resource innovator and integrator', and 'technology proponent'**⁶

② SHRM HR Competency Model

In 2012, SHRM announced the professional HR competency model. SHRM validate the content of elements for HR success through a survey with over 32,000 respondents. SHRM's Elements for HR Success comprises nine primary competencies: **'HR Technical Expertise and Practice', 'Relationship Management', 'Consultation', 'Organizational Leadership and Navigation', 'Communication', 'Global & Cultural Effectiveness', 'Ethical Practice', 'Critical Evaluation', and 'Business Acumen'**⁷

③ Cornell ILR HR Competency Model

The Cornell ILR school is using core competencies, which are matched to each course. According to the **professor Lee Dyer**, Cornell ILR established the HR competencies in consideration of competency

models of CAHRS(Center for Advanced Human Resource Studies) members. The model consists of ‘business acumen’, ‘functional expertise’, ‘strategic HR’, ‘contextual expertise’, ‘capabilities.’

④ South Africa HR Competency Model by SABPP

In 2012, the HR professional body of South Africa, the SA Board for People Practices (SABPP), launched a national HR Competency Model. The five core competencies are as followings: ‘Leadership and Personal Credibility’, ‘Organisational capability’, ‘Solution Creation and Implementation’, ‘Interpersonal and communication skills’, and ‘Citizenship for the future.’⁷

⑤ Other companies’ HR competency

GE	Ingersoll Rand	CISCO	Tyco
Business Mastery - Business Acumen - Customer Orientation..... HR Mastery - Org.Design - Selection & Staffing..... Change/Process Mastery - Quality Focus - Change Advocacy..... Personal Attributes - GE Leadership Values - Credibility.....	Business Advisor Strategic Decision Making Business Impact Organizational Development Talent Management Employee Engagement	Business Acumen Client Engagement Recruitment/Selection/On Boarding Employee Relations Organizational Effectiveness Training & Development Leader Develop. & Succession Performance Management Compensation & Benefits Change Management Program & Project Management	Organization Design Talent Management Performance Management & Engagement Total Rewards Employee Relations Talent Acquisition & Staffing Learning & Development Culture & Change Expertise Process & Technology Building Collaborative Relation Influence

Conclusion:

Complex, uncertain and fast-changing environment has brought new HR challenges, which ask HR professionals to have additional competencies such as digital skills, agile thinking, and global sense. In consideration of the challenges to HR and required skills to HR professionals, RBL and SHRM have renovated their HR competency models recently, in middle of the last year. Both of the relatively new HR competency models are so well structured that the models are being used by other researchers and companies. Although we tried to find out more progressive models than the RBL’s model as requested, we couldn’t find the more progressive one. Only the SHRM’s model could be comparable to the RBL’s. The other competency models above mentioned could be referred also.

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