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From competence to capability: the implications for human resource development and management

Stewart Hase
Southern Cross University

Lester Davis

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From Competence to Capability: The Implications for Human Resource Development and Management

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Abstract

The notion that organisations need to find new ways to manage in a global and turbulent environment is now a well worn concept in the 1990s. In particular the importance of developing and managing human resources along humanistic lines has been an important theme in the management literature. However, it is interesting how many of our human resource development and management practices still stay the same, based on old paradigms of control and power. This paper describes the idea of developing and managing for individual and organisational capability, a concept originating in the UK and being progressed in Australia. Capable people, as defined in this paper, are more than competent. They are creative, know how to learn, have a high level of self-efficacy, can use competencies in novel as well as familiar situations and work well in teams. It is our contention that the idea of capability provides a framework for better human resource development and management that is easily understood, and may enable people to overcome resistance to change. The basis of this paper is a study of ten Australian organisations and how they have developed their capability in a rapidly changing world. A specific case study from the construction and mining industry is provided as an illustration of the concept.

Introduction

The notion of Capability as conceptualised in this paper was developed in the UK in the mid 1980s as a response to the need to improve the capacity of enterprises to compete in a shrinking marketplace. Globalisation and its sequelae have changed the nature of work and workplaces forever. There is no longer any certainty about one's job, chosen career, place of work, abode, relationships and economic circumstances. Turbulence and rapid change characterise an environment that is dominated by economic forces beyond any individual's and most organisations' control.

To survive in this environment people and organisations need a high level of adaptability that enables them to be as fluid as the forces that affect them. In this paper we are concerned about how the development and management of human resources in an organisation is critical to this capacity to adapt and that there is a need to go beyond being competent. We suggest that there is a need for a paradigm shift in how we undertake these critical activities centred around the notion of helping people to develop their true capability and then enabling them to express it in what they do.

This paradigm shift which focuses on the importance of people to an organisation's well-being is not new and has been espoused by management theorists from Maslow and Rogers through to Drucker and Peters. It is interesting, however, how slow we have been to move from 'espoused theory' of humanistic approaches to management

and development to 'theory in use' (Argyris & Schon, 1997) and how we stick to old methods underpinned by control, anxiety and power. The idea of capability may provide an understandable, practical and visible framework for moving forward

From Competence to Capability

One of the most recent models to challenge traditional concepts of learning and which looks at outcomes as well as process is that of Capability (Stephenson & Weil, 1992). Capable people are those who: know how to learn; are creative; have a high degree of self-efficacy; can apply competencies in novel as well as familiar situations; and work well with others. In comparison to competency, which involves the acquisition of knowledge and skills, capability is a holistic attribute.

The world right now is no place for the inflexible, the unprepared, and the ostrich with head in sand; and this applies to organisations as well as individuals. Capable people are more likely to be able to deal effectively with the turbulent environment in which they live by possessing this 'all round' capacity.

Application of the capability concept has largely involved the creation of innovative learning experiences that help develop the elements of capability in individuals (Graves, 1993; Stephenson, 1994; and Stephenson & Weil, 1992) in both education settings and in the workplace. More recently, in Australia, we have been interested in not only how work based learning can develop capable people, but also how human resource management and development systems may also be designed to enable capability in everyday work (Cairns & Hase, 1996; Hase, 1998).

With this interest in mind Hase, Cairns & Malloch (1998) undertook a detailed case study analysis of ten Australian public and private sector organisations using a Grounded Theory approach and interviews with 79 people. They concluded that to develop capable people and capable organisations requires major paradigm shifts in the way in which management, education / training and workplace are conceptualised. In particular they argued that the capacity to learn is highly significant and along with Fiske and Taylor (1991), Fosnot (1996) and Hewitt (1997) believe that "people and organisations need to learn, to construct meaning from identifying and solving problems they face".

Competence is an essential ingredient of being capable. However, capable people and organisations are those that can operate effectively in unknown contexts and with new problems. The clear implication is that learning must occur. A key plank of the capability concept is that becoming capable requires different learning experiences from learning competencies. Learning how to learn, values and self confidence, for example cannot be achieved using simplistic behavioural approaches (Hase, Cairns & Malloch, 1998). Competencies reflect skills and knowledge and have suited the need for a multiskilled workforce in a climate of doing more with less, downsizing, economic rationalism, turning a profit and reducing costs. Like the latter, they can be measured. While competencies are the basis for capability they are insufficient for optimum human resource management and are part of the old pedagogical paradigm that fails to empower people to be learners and demonstrate elements of capability.

Management and Training: Providing the Right Environment

The major implication of this theme for training and management systems is that people need to be empowered and given the right environment to attain their fullest potential. Unfortunately current education and training, and human resource management and development systems are based on an alternative paradigm. This paradigm emphasises control and power rather than enabling and developing a level of capability which would have significant benefits for organisations in the current environment in which they find themselves.

In their study of Australian organisations Hase, Malloch and Cairns (1998) identified a number of factors that appear to contribute to organisational and individual capability.

These factors can be summarised as:

- Recognition by all levels of staff of the enormous complexity and ongoing nature of organisational change and development that affects all levels of the organisation. This recognition involves an appropriate commitment of time, energy and resources.
- A CEO who unambiguously supports a vision of the future consistent with many of the elements of Capability. This support meant that resistance can be overcome and that innovators and ‘champions for change’ could thrive.
- Skilled leaders (rather than ‘managers’) who have an excellent grasp of the ‘soft’ or people-oriented skills associated with leadership.
- Team based structures that enable people to be involved in decision making, have access to knowledge and information, and have responsibility for their own work.
- Adequate reward systems that provide for the intrinsic and extrinsic needs of people.
- Members of the organisation feel that individual elements (such as being valued and encouraging self-esteem) are embedded in the organisation's operations with a resultant perception of real empowerment (particularly in relation to learning control) being evident to all. People want to feel that their abilities are recognised and used.
- Opportunities for multi-skilling provided by a commitment to the development of competencies.
- A clear focus and commitment to learning.
- Performance evaluation which is perceived by staff to be carried out clearly and equitably.
- The provision of time and resources for staff learning and development.

The humanistic flavour to management and leadership is clear in these factors and reflects a focus that should, based in this evidence, be part of all management and teacher education. We now turn to a simple example of this paradigm shift in the construction and mining industry which has been notoriously conservative and ‘top down’.

Challenging the Paradigm: A Case Study from Industry

It is a well known psychological phenomenon that is very difficult to change attitudes. Thus, shifting people from a tradition of developing and managing people by control to one of trust and empowerment will be a huge task. The quickest way to change attitudes is in fact through changes in behaviour. The work activity and pre-start meetings described below were a successful approach to this dilemma and are exemplars of shifting organisations to the recognition of the value of people.

Hase, Cairns and Malloch (1998) suggest that various forms or models of inclusive learning practices are developing in the workplace. These models by their inclusive nature have different knowledge – power dynamics that harness the knowledge of the group or team and at the same time focus on the development of new solutions to new problems. This problem based or learner centred learning has also been applied in the form of ‘self managing teams’. One such model of a self - managing team worth examining is the Work Activity Briefing currently employed by Thiess Contractors Pty Limited. The Work Activity Briefing is a form of self managing work team. This activity involves all participants in the activity including engineers, supervisors, specialist support personnel, workers, and in some cases suppliers and subcontractors.

Such teams have become popular, because they offer a range of advantages such as synergy based on the ability to access a pool of experience and knowledge resident within the team. Also an ability to rapidly inform and develop knowledge within the group; and an increased level of involvement / commitment on the part of the group members.

The aim of the activity is to identify and apply the best solution to a problem or opportunity within the project context. In describing the characteristics of this group it is helpful to draw on the description of a self-managing team used by Cohen and Ledford (1994: 13 –14):

“Groups of independent individuals that can self-regulate their behaviour on relatively whole tasks. The key characteristics are: 1) face to face interaction; 2) employees with interrelated tasks who are responsible for making a product or providing a service; 3) employee discretion over decisions such as task assignments, methods for carrying out the work and scheduling activities”.

In socio-technical systems parlance self-managing teams provide a mechanism by which the technical needs of work and the social needs of the individual and group are able to be drawn together, an improvement in the quality of working life. The Work Activity Briefing (WAB) process employed with this organisation brings together all parties involved in the activity. With the use of a pro-forma document the essential pieces of information relating to the activity including the technical information, the risks, the safety considerations, previous experience that has application and the skills that exist/ missing are included in the spaces provided. Having attached all the relevant information a discussion or series of discussions together with any developmental work are completed. The result is a plan for the achievement that represents the best option possible, within the project context. This document is then signed by all participants who use it as the ‘blueprint’ for the activity.

The power relationship changes for the project manager and the engineers. As the workers are able to provide new knowledge, based on their experience, which is outside the knowledge of the engineers the power relationship change for them. The shifts in how the workers are now 'seen' suggest a level of equality and acceptance. A change in the normal 'truth' applied by management towards labour is changed and thereby the manager or engineer is changed.

Another aspect of the Work Activity Briefing worthy of analysis is that the document produced as part of the dialogue between the active parties. The document becomes a plan and identifies the activities, the parties involved, the actions required by them and the roles and responsibilities of the parties. It might also list the resources together with timings and coordinating data. The document in essence will 'govern' the activity.

Using this description we can see that the requirements and specifications of the plan will govern the parties in the activity and, therefore, their actions. The managers and supervisors will exercise power in coordinating the arrival of materials, the workers will exercise power through the application of their skills to the tasks without having to wait for instructions and directions. Indeed the parties will in fact regulate themselves with the terms of the plan and the project context.

With the application of the signature of each of the Work Activity Briefing participants identifies them as being a party to the knowledge and power that can be exercised to achieve the desired outcome.

Another aspect of the Work Activity Briefing worthy of discussion is the taken-for-granted assumptions that also govern the bodies involved in the activity. For example those who were part of the dialogue and certainly those who signed the document take for granted that each participant will do their individual best to achieve the desired outcome. That they will exhibit a level of professionalism and skill that will deliver the quality specified. And that they will demonstrate a level of commitment that will ensure that obstacles that might have proven a limiting factor under ordinary circumstances will not prevent the parties from achieving the deadlines.

An extension of the Work Activity Briefing has been the establishment of Pre-start Briefings in which teams meet at the start of the shift and discuss issues. On conception the primary aim was work safety but soon the briefings involved discussing the days activities and what could be learned from the previous day. Our interviews with participants (Hase, Cairns and Malloch, 1998) revealed a high level of empowerment, involvement and sense of commitment to the work team. It was clear that learning was taking place even though it was not credentialled and that the learning was an inherent part of what they did rather than an add-on.

What we see happening with Work Activity and with Pre-start Briefings is the development of the elements of capability such as: learning to learn; higher self-efficacy; using competency in novel situations; creativity; and working in teams. The learning and management are planned but the processes are person centred.

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