

AIAA Management Integration and Outreach Committee

Topic Description: Competency-based Management and Organization

This topic will look at both Competency-based Management and Competency-based Organization approaches. While these are often thought to be the same, these terms actually refer to different, but related strategies. Below is a summary of key elements that comprise this topic; starting with the basic framework.

Establishing a Competency-Based Management Framework

Competencies have been defined in a variety of ways, but most models include the elements of knowledge, abilities, skills, personal characteristics, behaviors and qualities that are linked to organizational objectives *and* are key to producing results.

There are typically two aspects in which competencies can be said to differ from qualifications:

- 1) Key to the competency approach is its linking of competencies to the strategic objectives and capabilities of the organization.
- 2) Competencies can be used to track performance in all human resource areas, including training, development, performance management, and succession planning, not simply resourcing. However, they do not have to be applied in all these.

Competency-based Management

Competency-based Management is typically focused on the employee as an invaluable resource within an organization. It is the application of a set of competencies to the management of human resources to achieve both excellence in performance and results that are relevant to the organization's business strategies. It means identifying how performance links to business results and mapping out strategies to export the techniques throughout the work force. It also means giving employees a systematic approach to expanding and using their full capabilities.

The main reasons for selecting these approaches are the following:

- They can provide identification of the skills, knowledge, behaviors and capabilities needed to meet current and future personnel selection needs, in alignment with the differentiations in strategies and organizational priorities.
- They can focus the individual and group development plans to eliminate the gap between the competencies requested by a project, job role, or enterprise strategy and those available. (Draganidis and Mentzas, University of Athens, Greece).

Competency-based Organization

Increasing demands with respect to speed and quality have led to organization structures that emphasize cross-functional teams rather than the traditional functional organizations. Given the rapid pace of technology changes and a hyper-mobile workforce, there appears to be a real risk of organizations losing functional excellence because functions are distributed throughout the organization and there is no protection of particular functional competencies. The challenge is to create structures which simultaneously maintain functional excellence while integrating functional expertise into teams and structures (divisions, portfolios, projects, etc.) which operate in a manner that focuses on customer needs.

This should not be seen as a return to the matrix structures common in the 1970s and 1980s. With a more competency focused approach to management supported by changes in the selection, career movement and pay systems, it may be possible to operate organizations which combine higher levels of functional expertise with a focus on lateral cross-functional relationships (Edward E. Lawler III, USC). This has also been referred to as "shared consciousness" across the organization.

There is one compelling reason for adopting a competency-based organization approach: to create a competitive advantage, because it leads to an organization performing better. The best competitive advantage in global markets is the performance capability of the organization. Critical to developing and maintaining performance capability is the skills of the individual employees and how these skills mesh to support a particular organization competency and strategic direction.

Competency-based Management and Organization

- What is it?
- Why is it important for leadership attention/discussion?
- How does it change the game (what game does it change)?
- What are the potential positive impacts on the organization and personnel?
- What are the potential adverse impacts on the organization and personnel?
- How can this approach affect the competitiveness of a company/organization?
- Why should AIAA MIOC members be interested in this as employees/leaders of their organizations and as MIOC Member?
- Identify any challenges/benefits/roadblocks/barriers?
- Potential recommendations?

Panelists:

**AIAA Management Integration and Outreach Committee
Fall Meeting, 2019 – New Orleans, LA
Topic: Competency-based Management and Organization
Location: National World War II Museum
Draft Agenda**

October 28th, 2019

Attendees arrive in New Orleans
Dinner 1800; Location TBD

October 29th, 2019

0800	Welcome: Dr. Bobby Savoie, Host
0815	Guest Speaker: Dr. John Nicklow, President, University of New Orleans
0900	Committee Chair
0915	Theme Introduction & Agenda: Dr. Bobby Savoie
0930	Break
1000	Invited Speaker 1: Tania Tetlow, President, Loyola University
1100	Invited Speaker 2: TBD
1200	Lunch
1330	Invited Speaker 3: TBD
1430	Student Panel
1530	Break
1600	Round Table Discussion
1650	Adjourn
1800	Reception/Dinner TBD

October 30th, 2019

0730	Committee Business Meeting
0930	Break
0945	Welcome – Stephen Watkins, NWWII Museum, CEO Tour of Museum
1145	Depart for Lunch/ Michoud Assembly Facility
1315	Tour of NASA Michoud Assembly Facility
1515	Depart