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An integrative model for competency development in organizations: the Flemish case

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Abstract

The prominent role of competency development in enhancing the success of employees and organizations has drawn the attention of practitioners leading them to introduce competency development as a central part of their human resource practices. Unfortunately, this strong managerial interest has not been fully translated into the academic world, creating a gap between theory and practice. The main purpose of this study is to fill this gap by exploring the nature of competency development in 22 Flemish organizations through a longitudinal multiple case study design. By using a grounded theory approach, a framework has emerged mapping out the different steps of competency development in the participating organizations. As such, this study can be an important first step towards closing the gap between practice and theory concerning competency development in organizations.

Keywords: competencies; competency development; training; on-the-job learning; career management; self-directedness

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Introduction

Due to the turbulent and ever-changing external context they face, organisations are experiencing a growing need for flexibility in work organization and job design in order to stay competitive (Bhattacharya, Gibson & Doty, 2005; Nybo, 2004; Van der Heijde & Van der Heijden, 2006). This evolution towards more flexibility has contributed to the development of new models for human resource management (HRM) in which the traditional job-based approach is being replaced by competency-based systems (Horton, 2000; Nybo, 2004; Rodriguez, Patel, Bright, Gregory, & Gowing, 2002; Vakola, Soderquist & Prastacos, 2007). In competency-based HRM systems, organizations aim to identify the abilities that are critical to successful job performance, and assign tasks to employees based on the abilities or competencies they possess, rather than on the position or job they hold in the organization (as is the case for job-based HRM systems). Instead of the job and its requirements, the employee and his/her competencies are thus the focal point in competency-based HRM and form the foundation of HR practices, such as selection, performance management, training, development and reward management (Heinsman, de Hoogh, Koopman, & van Muijen, 2006; Nybo, 2004; Vakola et al., 2007). This competency-based approach allows for a more flexible organization of work than the traditional job-based approach whose bureaucratic principles can hinder HR professionals in quickly responding to changing organizational needs (Campion et al., 2011; Rodriguez et al., 2002). Consequently, the use of competencies as a building block of HRM has become widespread in Western organizations both in the

profit and in the public sector (Athey & Orth, 1999; Heinsman et al., 2006; Horton, 2000; Nybo, 2004).

According to the resource-based view in strategic HRM, competency management is an important tool for establishing organizational competitiveness (Lado & Wilson, 1994; Wright et al., 1994). By defining those competencies that are needed to successfully implement the organizational strategy, organizations create resources that, in turn, contribute to sustained competitive advantage (Campion et al., 2011; Tampoe, 1994). As mentioned by Van der Heijde and Van der Heijden (2006), this resource-based view of the firm integrates elements of *soft* and *hard* strategic HRM approaches by considering competencies to be valuable assets that are beneficial for both employee and organizational outcomes. From an organizational perspective, competency-based HRM departs from the core competencies of the organization. By defining these core competencies, organizations can create a vertical alignment between organizational strategy and employee competencies. The basic assumption underlying this approach is that employee competencies can be developed and changed (in line with changing organizational demands), rather than being fixed and stable. Especially in the current volatile socio-economic environment, this developmental approach towards employee competencies forms an important aspect of competency-based HRM.

Therefore, in this paper, we focus on competency development, i.e. those activities carried out by the organization and the employee to maintain or enhance the employee's functional, learning and career competencies (Forrier, Sels & Stynen, 2009). Competency development is a critical part of competency management as it allows organizations to flexibly respond to or anticipate changing demands by developing their internal human resources, rather than buying them on the external labor market (Campion et al., 2011). Moreover, given the so-called 'war for talent' (Axelrod, Handfield-Jones & Welsh, 2001), organizations become increasingly dependent upon their internal resources. Consequently,

finding ways to capitalize on and develop their internal human resources is becoming a critical challenge today, making competency development even more important. There are, however, few empirical studies on how organizations approach competency development from an integrated perspective. If competency development is an important element of strategic HRM, it is important to know which HR practices are an essential part of the competency development process, and how vertical and horizontal alignment is realized.

With this study, we aim to contribute to the literature in three ways. First, according to the resource-based view of the firm, the use of “complementary resources” is of critical importance (Barney, 1986). This means that it is the use of HR bundles rather than single HR practices that contributes to organizational performance and that, in addition to vertical alignment, horizontal alignment is important (Barney, 1986; Huselid, 1995). However, to date, research on competency development has mainly focused on isolated competency development initiatives, such as training (Lai & Kapstad, 2009; Nybo, 2004), which limits our insights into how different types of competency development initiatives complement and/or interact with one another. Moreover, in recent years, there has been a growing interest in the processes through which these HR practices deliver results (Bowen & Ostroff, 2004). According to the HR system strength theory, the consistency, consensus and distinctiveness of the HR system as a whole determine its strength and therefore also its impact. Consistent with this notion of ‘HR system strength’, earlier research has shown that employees’ overall perceptions of a supportive climate for competency development is positively associated with employability and career satisfaction (De Vos, De Hauw & Van der Heijden, 2011). However, there is a need for further insight into what this supportive climate for competency development entails from an organizational point of view. Inspired by the resource-based view and the HR system strength theory, we follow an integrative approach in this paper, conceiving competency development as a coherent process of developmental activities

including, amongst others, training and on-the-job learning. Second, there is a need for more academic insight into the topic of competency development. Even though HR practitioners seem to have embraced the idea of competencies, much of the available evidence stems from popular literature and competency models offered by consulting companies. As such, little is known about the theoretical foundation of competency development and the rigor of the scientific methods used to draw conclusions and make statements about this topic. With this study, we aim to overcome this limitation and contribute to the scientific basis of competency development. Third, given the complexity of the topic, there is a need for more in-depth insight into competency development. This can be obtained via the qualitative methodology used in this study (Eisenhardt & Graebner, 2007; Yin, 1994). Moreover, whilst earlier research has addressed competency development as perceived by employees (e.g., De Vos et al., 2011), we focus in this study on the organization as unit of analysis, and investigate competency development as an organizational practice. As such, the methodology used in this study can shed new light on the topic of competency development.

Besides these theoretical and methodological contributions, our study also has practical relevance. Inherent to the notion of competency-based HRM is the idea of adaptability and flexibility: working with competencies allows organizations to respond more flexibly to the demands and challenges they are facing, by capitalizing upon and developing their internal human resources. It is therefore important to gain more insight into how HRM can contribute to the development of employees' competencies. However, in practice, competency-based HRM often comes down to a focus on developing a competency library, to be used for selection and assessment. This takes a more rigid approach towards competency-based HRM focusing on mapping employees' competencies and matching these with job requirements, rather than the aimed for flexible approach focusing on competency development as a means to ensure flexibility and adaptability. In practice, competency-based

HRM thus often loses sight of its primary aim, which is to create a more flexible and adaptable organization. In this study, we want to refocus attention towards this aim by providing insights into how organizations can foster competency development.

More specifically, the main purpose of this study is to unravel the process of competency development by conducting a qualitative case study in 22 Flemish organizations. Based on this case study, we will draw up a conceptual model that comprehensively describes the building blocks of competency development. The underlying research question guiding our study is “What are the characteristics and components of the competency development process put in place by organizations in Flanders?”

Competencies at work

According to van der Klink and Boon (2003), competencies are a fuzzy concept. They underpin their statement by pointing out the lack of a universal definition and the confusion about the concept in the literature. To ensure a full coverage of the term, scholars opt for a broad definition of competencies (Delamare Le Deist & Winterton, 2005). Following Spencer and Spencer (1993), we define competencies as: *“an underlying characteristic of an individual that is causally related to criterion-referenced effective and/or superior performance in a job or a situation”* (p.9). Kuijpers (2003) discerns three important types of competencies at work. First, ‘functional competencies’ are defined as the knowledge and skills that are necessary for employees to successfully perform their jobs. These functional competencies are based upon employees’ tasks and roles and, hence, differ according to the industry and function (Kuijpers, 2003). For example, developing and writing new software programs, testing these programs and debugging them are functional competencies that are specifically relevant for IT consultants. Second, ‘learning competencies’ refer to those individual characteristics that enable employees to develop new functional competencies

(Kuijpers, 2003). According to Lindley (2002), learning competencies are gaining importance in the work environment, since the rise of the knowledge economy and the growing need for flexibility make it important for employees to continuously invest in their own development. Regardless of what the employee's specific tasks and roles may be, displaying an ongoing commitment to develop oneself and taking ownership are examples of learning competencies that are considered important across a variety of industries and organizations. Finally, 'career competencies' refer to those characteristics that enable employees to guide their functional and learning competencies into the right direction (Kuijpers, 2003). Thus, career competencies refer to the employee's creation of a career identity by gaining insight into their own possibilities and motives, and to the employee's ability to proactively translate these insights into concrete actions that can direct their career (De Vos & Soens, 2008; DeFillippi & Arthur, 1994). As individuals are increasingly expected to take ownership over their own career, career competencies, such as self-reflection and career planning, are becoming more and more important (Hall, 1996).

Competency development in Flanders

Over the past decade, the government of Flanders – one of the three Belgian regions – has taken several initiatives to stimulate competency development, hence making this region particularly relevant as a context in which to study competency development. The aim of these Flemish initiatives is threefold. First, to stimulate organizational awareness about the importance of competency development for their competitive advantage as organizations today depend largely upon their employees' competencies to stay successful (Vandenbroucke, 2007). Second, to inform organizations about the broad range of practices they can use to develop employees' competencies as many organizations tend to limit their initiatives to classical training programs. Flemish organizations do not score high compared to other EU regions in using diverse ways to stimulate employee development (European

Centre for the Development of Vocational Training [CEDEFOP], 2010). Therefore, the Flemish initiatives also emphasize on-the-job learning and career management as important additional means to develop employees' competencies. Third, to stimulate employees to participate in competency development initiatives as the resulting increase in employability is key to finding and retaining appropriate work, and hence assure their 'career security' (Van der Heijde & Van der Heijden, 2006).

Since 2005, the consecutive Flemish ministers of Employment have taken a number of initiatives to fulfil these objectives. First of all, several policy briefs have been published in which the importance of lifelong learning and competency development are emphasized. For example, in 2007 the Flemish Government and the social partners created the Competency Agenda, a policy document that summarizes Flanders' ten priorities in the field of competency development (Vandenbroucke, 2007). Second, several task forces and working groups, co-funded by the European Social Fund, have been installed, enabling organizations to exchange best practices and to overcome the obstacles that they might encounter. Third, the government has put in place a grant programme subsidizing organizations that implement certain competency development practices. An example of one of these subsidies, is the so-called 'SME Portefeuille' through which small and medium-sized enterprises can apply for financial support for services in the field of training and development. Next to these subsidies for organizations, the Flemish government has also installed financial support mechanisms for employees. For example, employees can apply for 'education vouchers' which they can use to follow training or to obtain career counselling. With these vouchers, the government wants to lower the financial threshold for individuals to participate in continuous learning activities by contributing 50% of the total cost. Finally, the government has funded the development of several tools in the field of competency development. The main goal of these tools is to assist organizations in implementing

competency development initiatives and to share information on how other organizations have handled this before. On the employee side, tools are mainly aimed at encouraging employees to proactively reflect upon their competencies and to encourage them to take action in order to keep their competencies up to date in view of career security. As such, these tools promote a proactive attitude towards competency development on behalf of the employee.

Method

Data were gathered through a three-wave longitudinal multiple case study design. The case study design is a qualitative approach that is well suited to our goal of generating an integrative framework for competency development (Eisenhardt & Graebner, 2007; Yin, 1994). By using multiple cases, we were able to take into account different organizational contexts and perspectives. As indicated by Eisenhardt and Graebner (2007), multiple cases create more robust theory by providing varied empirical evidence. The longitudinal nature of our study allowed insights into the stability of practices over time, as well as the occurrence of trends and evolutions, making it possible to further refine our framework.

We gathered information from 22 Flemish organizations through organizational records, through semi-structured interviews and through focus groups with HR managers. By using a grounded theory approach, in which data and theory are constantly compared and contrasted throughout the data collection and analysis process (Isabella, 1990; Locke, 2001), a framework emerged indicating how organizations design their competency development initiatives and the effect this has on both organizational and individual outcomes.

Participants

Following Yin's (1994) guidelines for theoretical sampling within inductive, case-based

theory development, we selected cases that exhibit the phenomenon of interest to a high degree. The sample frame for this study consisted of those organizations that had a competency-based HRM in place. In particular, in order to be included in our sample, organizations needed to have installed competency development initiatives for all (or at least a substantial part) of their workforce. Based upon (1) a previous study in which we screened 100 organizations on their career and development practices, and (2) a list of organizations that take initiatives in the field of competency development that was compiled by the Social-Economic Council of Flanders (Reference available to the editor; Social-Economic Council of Flanders [SERV], 2009a), a list of relevant cases was compiled. After screening those organizations by means of a short telephone interview with the HR-manager, we came up with a short-list of 34 organizations of which 22 agreed to participate in the study. To maximize the differences in business environment, the following criteria were taken into account for selecting our final sample: diversity in terms of organizational industry, business size, a mix of white-collar and blue-collar firms, at least one organization from the socio-cultural industry and at least two SME's. Table 1 summarizes the descriptive characteristics of the final sample. As our study started in 2007 and encompassed 5 years, it should be noted that the global economic crisis occurred during this period and that this crisis has had a profound impact on most organizations of the Flemish region (Social-Economic Council of Flanders [SERV], 2009b).

[INSERT TABLE 1 HERE]

Procedure

After selecting our sample, the HR professionals responsible for competency development were informed about the goals and approach of the study and were asked for their participation. On average, two to three HR professionals per organization participated in our

study and were interviewed three times between 2007 and 2011. The first wave of interviews took place between September 2007 and June 2008; the second wave was scheduled two years later, i.e. between September 2009 and June 2010; the third and final wave took place between April and July 2011.

We opted for semi-structured interviews as this allowed us to adopt a uniform approach while at the same time maintain the ability to explore all topics in depth and to diverge towards unplanned areas. These interviews were conducted by one or both of the researchers being part of the research team. Each interview was tape-recorded and verbatim transcribed, allowing for a systematic analysis of the raw data. Each interviewee received a copy of the transcription to make sure that the interview contained no mistakes. Moreover, interviewees could also make additional comments if they felt this was necessary. In addition to the interviews, we had access to organizational records about the initiatives that organizations undertake regarding competency development. These documents allowed us to compare the information obtained from the interviewees with the information provided in these documents. Finally, after each wave, we conducted two focus groups in order to increase the validity of our findings and of the integrative model we developed. The first focus group was held with the interviewees from the participating organizations, allowing us to verify whether the results and our interpretations fully reflected the opinion and approach of the participating organizations and to further examine a number of interesting findings resulting from the interaction between participants on the topic. In the second focus group, twelve HR professionals working for other organizations participated, which allowed us to assess the generalizability of our findings and model to other organizational contexts. More specifically, we were interested in what they learned from the results, what they could implement in their own organization and what factors were retaining them from doing so. The aim of these focus groups was to put the factors that facilitate or hinder competency

development into a broader perspective and hence increase the external validity of our findings.

Interviews

All interviews were conducted by one or both of the researchers working on the project, at a location determined by the interviewee and lasted one hour to one hour and a half. The interview assessed the broader structure and strategy of the organization, the motives of the organization to invest in competency development, the HR practices enhancing competency development in the organization, the actors involved, and the main challenges for the future. During the second and third interview, we always looked back at the information obtained from the first interview in order to create links between the different interviews. The full interview protocols can be found in Appendix 1. Depending on the interviewee's answers, some interview questions were skipped and the order of the questions could differ across participants. This approach is typical for qualitative interviews (e.g. Shinnar, 2007) as it allows for an in-depth exploration of all topics while at the same time allowing the interviewee to lead the conversation (King, 2004). Nevertheless, we ensured that all topics were addressed in each interview by taking brief notes to keep track of all topics discussed.

Focus groups

After the presentation of our findings and of the integrative model by the researchers, participants were invited to reveal their insights on the results and the validity of our framework following a structured process (Krueger & Casey, 2000). In order to limit possible influences such as group conformity and social desirability, we implemented an element of the Delphi technique (Goodman, 1987). The set of questions was specifically developed in relation to the qualitative purpose of the research and consisted of open questions

representing research questions. Before starting the discussion about these questions, participants were asked to write down their individual views. In line with the literature on 'best practices' for organising focus groups, we used a 'funnelling approach' (Krueger & Casey, 2000). The focus groups started off with more general questions to get the discussion going and then gradually tapped into more specific questions, explicitly related to the different parts of our framework.

Data analysis

Constant comparative method

Similar to other recent research (August, 2011; Shinnar, 2007), our analytical procedure followed a grounded theory approach. Grounded theory requires interpretations to be embedded in the phenomenon at hand and, hence, is especially useful when a well-established theory is lacking (Glaser & Strauss, 1967; Strauss & Corbin, 1990). As competency development is well-embedded in organizations but academic research on this topic is lacking, grounded theory allows us to close this gap between theory and practice by developing an integrative model of competency development in organizations that is closely linked to reality. Central to a grounded theory approach is the constant comparing and contrasting of theory and data throughout the data collection and data analysis process (Isabella, 1990). Therefore, as recommended by Glaser and Strauss (1967), the analysis of our interviews was based on the constant comparative method. This was done by the two researchers and the project leader (i.e., the three authors of this paper) who first worked on the data independently and then sat together to compare and discuss their analyses in order to arrive at a common interpretation. Using comparative analysis, i.e. constantly comparing incident against incident and checking for similarities and differences, incidents that were found to be conceptually similar were grouped together in the same category whereas

incidents that were found to be conceptually different were placed in a different category under a different label (Corbin & Strauss, 2008). The coding of the first interview led to a list of categories, that was further refined and complemented during the coding of the next interviews by categorizing fragments of text according to whether they resembled text segments from the interviews assessed earlier. This process resulted in a list of core concepts, which were then integrated into an overall theoretical framework, delineating the interrelations between the different concepts by examining cross-case patterns (Corbin & Strauss, 2008).

Capitalizing on the longitudinal nature of our study, we closed existing gaps in the theory which remained after the first wave of interviews by examining these particular topics in greater depth during the second and third wave. By using the same analyzing and coding techniques during the different waves, the initially developed model could be put to the test and was further refined. This repetitive process allowed us to adjust our framework during our data gathering and data analysis process, up until the point at which additional data no longer added any new information to our framework (Suddaby, 2006).

Validity and reliability

Yin (1994) identifies four standards that are useful to assess the validity of case study research: (a) construct validity, (b) internal validity, (c) external validity and (d) reliability. In our research, several measures were taken to guarantee the validity and reliability of our findings. First, to ensure construct validity, the analysis of the interviews was returned to the interviewees in order for them to give feedback on the processing of the data (Yin, 1994). In addition, we conducted focus groups with the interviewees to verify whether the resulting framework was a good representation of the competency development process in their organizations. Finally, the construct validity was enhanced by accessing multiple sources

(interviews, organizational records, focus groups) to collect information (Yin, 1994). Second, the internal validity of our research was strengthened by the longitudinal multiple case study design. This design allowed us to adopt a ‘replication logic’, as each case could be seen as a test for our emerging insights into the competency development process. As such, each case served as a replication, a contrast or further refinement of our model (Eisenhardt & Graebner, 2007; Yin, 1994). Third, the external validity of our findings was warranted by including multiple cases in our study (Yin, 1994). Fourth, as recommended by Corbin and Strauss (2008) and Yin (1994), the reliability of our findings was preserved by keeping a detailed log book which contained the researchers’ notes that were made during the data analysis process, the recordings and transcriptions of the interviews and the coding inferences made by the researchers.

The data gathered from the interviews, the focus groups and the organizational records were combined leading to the final results discussed below.

Results

Conceptual model

Based on the data from the case studies, we developed an integrative model describing the competency development process (see Figure 1). In this model, we take an integrated approach by mapping out how competency development is linked to the broader organizational and socio-economic context and by indicating how the different HR practices related to competency development are connected to one another. In the model, competency development is an integral part of the broader defined concept of competency management. As such, competency development advances vertical and horizontal integration throughout the organization. On the one hand, competency development promotes vertical integration by aligning organizational, team and individual goals. On the other hand, horizontal integration

is realized by placing competencies at the core of each HR practice. The competency development process consists of several phases. A core element is the personal development plan, which forms the basis of the whole competency development process. Competency development itself is realized through a combination of training, on-the-job learning and career management. This results in an increased employability of the employee. As the work environment and the set of needed competencies continuously change, the need for a new competency assessment will emerge regularly. As such, the process of competency development is a never-ending story. As indicated in the model, the process of competency development is influenced by the broader organizational and socio-economic context. Below, we will discuss the different components of the model in detail.

[INSERT FIGURE 1 HERE]

Competency development through training, on-the-job learning and career management.

Although most Western organizations have training, on-the-job learning and/or career management practices in place, the organizations in our sample explicitly integrate these three practices by relating them to competency development. Competencies are at the heart of each of these processes, whereby training, on-the-job learning and career management are considered as instruments for realizing the overall goal of employee development. This contrasts with the approach often found in organizations to consider training, on-the-job learning and career management as distinct functional HR domains that exist in isolation from each other. Given this integrated approach, competency development draws its strength from a variety of different learning activities that reinforce each other. Training, on-the-job learning and career management are part of one developmental trajectory and allow an employee to approach a developmental need from different angles.

“Training and education have proven their use more than once. However, this is only one element of the puzzle. I strongly believe in informal competency development. Personally I think that a combination of 75% informal competency development and 25% formal competency development is optimal.”

“In the past, when being confronted with a developmental need, we automatically prescribed training for our employees and considered this training to be sufficient to fully develop the necessary competencies. We experienced, however, that training was often inadequate in developing the competencies of our employees and in improving their performance. Today, we believe that the solution lies in the mix of training, on-the-job learning and career development. More specifically, to develop the competencies of our employees, we provide them with long-term developmental trajectories in which a combination of training, on-the-job learning and career management practices is provided.”

Training, on-the-job learning and career management are directed at the development of different types of competencies. As indicated by the organizations in the study, the development of functional competencies is mainly achieved through training and on-the-job learning. For example, employees can develop their language skills by following a training course or they can improve these skills by adopting them in their daily activities. On the other hand, learning and career competencies are mainly established through on-the-job learning and career management practices. These practices put a stronger emphasis on the employee’s responsibility for and active involvement in competency development. For example, by participating in career workshops, employees are encouraged to think about where they stand in their career, how they want to evolve in their career and which steps they have to take to achieve their career goals. This emphasis on self-reflection and self-directedness leads to an increase in learning and career competencies. As the double-headed arrows in our model indicate, there is a mutual influence between the three competency development practices. As such, the present model of competency development stipulates that training, on-the-job learning and career management practices are important aspects of competency development

that not only directly enhance competency development, but also indirectly do so through their interrelations. For example, an employee's self-directedness in learning can be improved via career management practices, resulting in a higher participation in training courses by the employee.

In sum, as indicated by the HR professionals in our sample, training, on-the-job learning and career management all share the goal of increasing the competencies of the workforce, but each of these practices imply different strategies to reach this goal and aim at developing different types of competencies. This complementarity in means aimed at reaching a single goal increases the overall effectiveness of competency development initiatives.

“One of the main benefits of competency development lies in the fact that the different developmental practices no longer stand alone but instead are connected to one another. Thereby, the impact of these practices is maximized, which in turn ensures that you get the maximal result out of your investment. For example, by linking training to on-the-job learning practices you can ensure that the main ideas of the training are put into practice in the workplace. Furthermore, if you do not embed this training in the broader career development of your employees, your employees will not see the personal benefit they get out of the training and hence, they will be less motivated to put the training into practice. By integrating these practices into one development trajectory, you can increase the impact of the individual practices. You get the best results when you gear the practices to each other.”

This is in line with research of Subramony (2009) who indicates that the simultaneous operation of multiple HR practices aimed at a common objective increases the possibility of attaining this objective. As such, competency development is a complex entity of interrelations between training, on-the-job learning and career management, whereby these practices can reinforce each other and leverage the effects of competency development.

Training

In all cases, training forms an important part of competency development. This is not surprising, given its long-standing history as a developmental practice (Tannenbaum & Yukl, 1992).

“Training forms an important part of our developmental program. It keeps our employees up to date and competent and enables them to successfully perform their job at all times. As a result, both in previous years as well as today, we have invested a lot in training.”

However, research indicates that training in itself often does not lead to the desired level of competency development (Lai & Kapstad, 2009). This finding was confirmed by the organizations in our sample. They increasingly acknowledge this problem and develop structured training plans to enhance the training effectiveness. These training plans consist of three components, i.e. a need analysis, the training itself and a follow-up. Furthermore, during the training process, organizations try to address an employee’s developmental need from different angles and with different training methods. By taking this integrated approach to training, they try to increase its overall effectiveness.

“In our need analysis, we attend to the full participation of all stakeholders, so we can make sure that we organize the right education with the right tools.”

“Some employees prefer classical training courses whereas others learn more from interacting with colleagues during workshops. Therefore, we take an employee’s learning style into account and we try to match this learning style to the specific training method that is used.”

“Since what you learn during an education can soon grow dim, we have introduced teasers into the work context to make sure that what was learned during training is actually put into practice. For example, a few weeks after a training, all trainees receive an e-mail that brings the most important learning points of the training to their attention again.”

On-the-job learning

Throughout the different interview waves, organizations increasingly recognized the importance of on-the-job learning.

“You can only learn something by actually doing it.”

“Developing yourself mainly occurs by coming to work and asking questions. That way, you can learn while actually doing your job. Your work will provide you with the biggest challenges and force you to keep on developing your competencies.”

“On-the-job learning is the most important developmental practice within our industry.”

Within the literature, on-the-job learning is usually defined as informal learning, which takes place on the job and is not always planned (Burgoyne & Hodgson, 1983; Marsick & O’Neil, 1999). Given its informal nature, it is not surprising that on-the-job learning practices are not formally embedded in the organization. Whereas organizations have developed a formal three-step process for training, these formal processes do not exist for on-the-job learning.. Rather, on-the-job learning practices are more implicitly available in the workplace. Furthermore, on-the-job learning is often used as a means to follow-up on training. As such, on-the-job learning practices become integrated in the developmental trajectory of an employee and are used as triggers to ensure that employees put the followed training and hence the acquired competencies into practice.

“We strongly acknowledge the need to focus on blended learning solutions. As such, practices in the area of on-the-job learning are increasingly integrated with our formal training solutions. For example, employees who have participated in a training course have to draw up a personal action plan. In this plan, they have to indicate how they will implement what they have learned from the training in their daily activities. To support employees in this matter, we provide them with different coaching sessions whenever they feel the need to it.”

Coaching is the most frequently used form of on-the-job learning in our sample. Although coaching might be more expensive than formal training, the tailored approach that can be adopted in coaching offers an important added value. In some of our cases a coaching culture is present, which is consistent with recent research on the growing importance of coaching as part of employee development and career management (Segers & Inceoglu, 2012). In these organizations, the line manager largely fulfills the coaching role by giving regular feedback to each employee about his/her performance, strengths and points of improvement. Other organizations install formal coaching trajectories in which certified coaches assist and guide employees in their development.

“We want to become a learning organization in which we communicate more, share knowledge, learn from each other’s mistakes, and give each other feedback on a regular basis to keep improving ourselves. As such, in our organization, it is allowed for employees to make mistakes, as long as they allow their supervisor to give feedback on these mistakes and they are willing to learn from this feedback.”

“We have a number of certified coaches in our organization. Choosing the right coach for a specific employee is critical. Depending on the specific developmental need of the employee, this can be someone from the HR-department, from their own department or from another department. In some cases, we also work with external coaches.”

Career management

Previous research has shown that job transitions and rotations increase an employee’s competencies (Campion, Cheraskin, & Stevens, 1994; Karaevli & Hall, 2006). In line with this research, the organizations in our sample indicate that career management practices enhance mobility in the organization, leading to an increase in competency development. Therefore, in addition to training and on-the-job learning, career management practices are put in place to support employees in their competency development.

“Mobility is important for us, especially given the current organizational context. Therefore, we try to create an open mindset that promotes mobility.”

“We devote more attention to rotation through different jobs. Hereby we want to ensure that employees not only know their own job, but also the job of their colleagues. Although rotation is not required, we strongly encourage it.”

“Today, we take a more proactive stance in stimulating mobility by regularly challenging our employees and thus preventing them from getting into a rut. We organize a career talk with those employees who have been employed in the same job for quite a while. In this career talk, we discuss their ambitions with them and the different kind types of jobs they may switch to. By regularly putting employees in a new job, they are confronted with new challenges and are automatically triggered to develop new competencies.”

The organizations in our sample have taken a number of initiatives to promote mobility. The three most frequently cited initiatives were the creation of an internal labor market, the stimulation of internal apprenticeships, and breaking down the boundaries between departments.

“We offer our employees the possibility to do an apprenticeship in one or more business units. As such, they develop a more holistic view on the organization, gain a better understanding of what the jobs of their colleagues actually imply, get more respect for their colleagues and, most importantly, gain more insight into which jobs they would like to progress or rotate to in the organization.”

From competency assessment to competency development: a never-ending story

According to Heinsman and colleagues (2006), competency development is part of the broader defined concept of competency management and this is consistent with the view of the HR professionals in our case study.

“To me, competency management sets the overall strategy and is kind of the umbrella under which a range of activities take place. Competency development is one of these

activities and contains all actions that we undertake to develop the competencies of our employees.”

Within the boundaries of competency management, the organizations in our study follow a clear process in the development of employees’ competencies. First, functional, learning and career competencies are assessed to determine an employee’s developmental needs. This competency assessment leads to a personal development plan, which forms a guide to employees telling them which competencies they need to develop and how they can best develop them.

“The personal development plan (PDP) forms the key element to formulate developmental actions that need to be undertaken. The PDP is the basis to determine which training is offered to the employee and when interesting career possibilities will be considered. In this way, we make sure that employees get their total picture.”

The process of competency development then leads to a new set of functional, learning and career competencies, which in turn leads to a new personal development plan and, hence, to a new need for competency development. As employees continuously meet new challenges at work, the need for a new competency assessment emerges regularly. Thus, the process of competency development is a never-ending story in which the assessment of competencies leads, via the creation of a personal development plan, to the development of new competencies.

“Today, we live in a world that is continuously changing. We also see this among our customers as their demands continuously change. As a result, we need employees who can easily change as well and adopt new competencies when needed. Therefore, it is important for our employees to keep on developing their competencies, as new competencies are constantly needed in our organization.”

During the first wave of our study, most organizations indicated that the assessment of employees’ competencies was part of their performance management cycle. More

specifically, the competency assessment of employees was included in their regular performance reviews. However, during the second and third wave, several of them articulated the need to separate both processes. Whilst goal setting and performance evaluation have become the exclusive focus of the performance review, the discussion of employees' strengths, weaknesses and ambitions now takes place during a separate conversation. Competencies are thereby used in a future-oriented developmental perspective, not in an evaluation of past performances. As such, organizations can safeguard the developmental view that is inherent to competency development and encourage employees to stretch their abilities.

“We have made a distinction between the performance and development review. In the performance review we focus on an employee's objectives and whether and how these objectives have been realized. During the development review, the employee and the manager discuss which competencies the employee needs to improve upon and which actions the employee has taken in this matter.”

In contrast to the trend towards separating both reviews in several of our cases, there was less enthusiasm about this approach amongst the HR professionals from other organizations, who participated in the focus group that were meant to assess the external validity of our findings. Although also these HR professionals acknowledged that separating both would be the ideal situation, they pointed out difficulties they experience in truly involving line managers in the performance management process and time constraints making it unrealistic to expect these managers to have more than one review with each of their employees.

“To be honest, in our company we are already very happy when our managers take the effort to have one decent conversation with their employees about their performance – expecting them to have two such conversations a year would really create a lot of resistance.”

Increased employability as the outcome of competency development

Employability is included as the central outcome of competency development in our framework.

“By broadening the knowledge of your employees, you increase their employability.”

“Our only way to differentiate us from our competitors is through our employees. They make the difference through the service they deliver to our customers. We want to invest in them and in the development of their competencies since this will increase their employability.”

The organizations in our sample stress that the increased employability of their employees profits them in several ways, although they do not all agree upon the outcomes that are most important for them. First, the flexible deployment of their employees is an important competitive advantage as it allows them to match labor supply and demand.

“In our organization and the context we are operating in, changes happen in quick succession. Therefore, our people have to be ready to take up new responsibilities and new jobs whenever the need arises. As such, competency development is an important tool for us since it allows us to deploy our employees in a flexible manner.”

Related to this, several organizations indicated that given the ongoing war for talent for certain competencies on the external labor market, highly employable employees are a critical success factor in being able to anticipate and react to changes in the organization's context. When the employees of an organization can be employed along different job positions and tasks, the organization can easily adapt itself to changing market conditions.

“Our competency management system provides us with tools to map out the competencies that are needed to conduct a new project, the extent to which these competencies are present in the organization and which competencies we still need to

develop. As such, we can anticipate on new trends and developments that are occurring in our field.”

Finally, some organizations see yet another value of competency development. They point out that organizations that invest in competency development are often considered to be an attractive employer, making it easier to attract and retain valuable talent.

“In selection interviews, applicants attach great importance to the development opportunities that are present in the organization. As such, by improving our employer branding, our investments in competency development help us to attract and retain talent.”

The role of employees' self-directed behavior

When looking at the roles of the different actors involved in the competency development process, the organizations in our sample stressed the importance of the employee's proactive attitude. Whether organizational competency development practices will actually lead to the outcome of improved competencies, and hence employability, largely depends on the investments made by the employee. This finding is supported by previous research which indicates that the organization itself cannot develop an employee's competencies, but can only create a stimulating environment and provide practical tools to offer the employee the best possible opportunity to develop his/her competencies (Deci & Ryan, 2002; Sundberg, 2001; Van der Heijde & Van der Heijden, 2006). It is up to the employee to seize this opportunity and to develop his/her competencies accordingly. This notion is fully supported by the organizations in the case study who acknowledge the important role of the employee in competency development, although we do observe differences between organizations in the extent to which they actively stimulate self-directedness. Therefore, we included employee self-directed behaviour in our model as an intervening variable between the initiatives offered by the organization and the increased competencies of the employee. Only

those employees who grasp the opportunities that are present in the organization will benefit from an increased employability.

“It is up to the organization to create opportunities for development, but it remains the responsibility of the employee to seize these opportunities and to make sure that their competencies are actually being developed.”

“We offer support and tools, but it is up to employees to take their development into their own hands.”

Whilst these quotes underscore the importance of self-directedness expressed by HR professionals in our sample, some organizations take this one step further and take initiatives to help employees become more self-directed, thereby considering this as a career competency that can be developed.

“We organize workshops for our employees where they learn about the importance of self-management and about how to take charge of their own development.”

This emphasis on self-directedness was not unanimously shared among the participants in the focus groups where we assessed the generalizability of our findings. Some of these HR professionals expressed their concern about making employees too much responsible for their own development, as they feared this might make them less loyal to the organization and more focused on what might benefit their own employability rather than the organization’s competitiveness.

Alignment through competency development

According to the organizations in our sample, competency development must never be seen as a goal in itself, but should rather be described as the path followed to the key organizational goal, being a more effective and efficient organizational performance.

“Competency development may never be seen as a goal in itself. It is a technique, a vision on your HR management that will make sure that all HR practices are aligned as they all have competencies as their core instrument.”

“Competency development leads to a bunch of different benefits, such as increasing the quality of your products or people, being more attractive as employer, etc. In the end, however, the basic idea is that all these things will help you perform better as a company and, as such, lead to better profits.”

“If you give your employees the opportunity to grow, you make your organization grow.”

Competency development is a strategy or vision endorsed by the organization because of its unifying nature. The unifying nature of competency development can be explained by its central role in establishing alignment within the organization.

“I would define competency development as a set of activities that creates both horizontal and vertical alignment.”

“In our organization, you clearly see the added value of the competency framework. This added value mostly lies in the alignment, through which the thinking and handling within the organization is no longer disintegrated, but becomes one coherent whole.”

Linking competency development to the organizational strategy and structure: vertical alignment.

Competency development enables vertical alignment by aligning organizational, team and individual goals. The competency framework implies the development of a common language throughout the organization, making it possible to translate an organization’s strategy into individual goals and competencies for every employee.

“Competency development ensures that we learn to speak the same language, a language that everyone understands.”

“At the top of the organization, our core strategy was translated into five core competencies. For each competency, a team meeting at the level of the department was devoted to discussing this competency and trying to find out the meaning of the competency for the specific department. How will we express this competency in our contacts with clients? How will we shape this competency internally? How can we put this competency into practice? By asking these questions, competency development became a very practical tool to implement our strategy in the workplace.”

In line with Bergenhenegouwen and colleagues (1997), the organizations in our study define core competencies to translate their broader strategy to the level of teams and individuals and, hence, align the necessary organizational competencies with the individual competencies of employees. The core competencies reflect the generic competencies that every employee of the organization must possess. As such, these core competencies often reflect the organization’s values. Next to these core competencies, competency models also include specific competencies that apply only to a limited number of employees, e.g. job-specific competencies or leadership competencies as a requirement for managers. In sum, organizations can embed their strategy and vision in the competency profiles of employees through the use of core competencies while at the same time allowing tailor-made competency profiles by adding (job-)specific competencies.

“The core competencies clearly indicate what the organization stands for and ensures that all employees, anywhere in the world, follow the same vision. The specific competencies guarantee that every employee recognizes himself/herself in his/her own job, which is important for the buy-in of the business.”

“In the competency model we have determined a number of general competencies, that are characteristic for the organization and that every employee needs to possess, and a number of job-specific competencies that are typical for a specific job. Eventually, there is a huge difference between for example a cook and an operational staff member.”

Integrating different HR practices through competency development: horizontal alignment

Competency development stimulates horizontal alignment by streamlining different HR practices within the organization. Recruitment, selection, training, career management, performance management and reward management no longer exist as loose ends, but are integrated in one comprehensive HR system to maximize the effectiveness of all HR-related actions.

“Competencies are the glue, the red thread throughout our HR management that ensures that all our HR practices are aligned with one another.”

This fits with a configurational perspective on HRM, stating that an effective combination of HR practices, often referred to as HR bundles, has a positive effect on firm performance (Gooderham, Parry, & Ringdal, 2008; MacDuffie, 1995; Mansfield, 1996). These HR bundles create combined synergistic effects that exceed the effects of the individual practices constituting the HR bundle (Becker & Gerhart, 1996; Delery, 1998). By adopting a competency framework, organizations put competencies at the core of each HR process. As such, competency development initiatives ensure that the different HR practices of an organization are geared to one another (Audenaert, Vanderstraeten, & Buyens, 2009), leading to a system of mutually reinforcing practices.

Taking the broader organizational and socio-economic context into account: contextual alignment

Competency development always occurs within a broader organizational context. As such, the competency development initiatives undertaken by an organization need to fit this context, meaning that those practices that might be effective in one organization might not be effective in another. Likewise, researchers suggest that the content of an organization’s HR

system is influenced by the organization's structure, culture, politics, direction and business outputs (Dyer & Reeves, 1995) and that not all organizations may be similarly predisposed to implement certain HR strategies (Toh, Morgeson, & Campion, 2008). The same holds for the implementation of a competency development approach.

“Change is important in our organization. We expect our employees always to be ready to fill up a new job. Hence, competency development is an important tool for us.”

Besides these organizational factors, an organization's competency development initiatives also need to fit the external context taking variables such as the legislative, governmental and political context, socio-economic factors and the labor market into account. The influence of the broader organizational and socio-economic context on their competency development practices was also reported by the HR professionals in our sample.

“Normally, we would let our employees follow a formal education, but because of budgetary restraints we have to become a lot more creative now. Therefore we often opt for on-the-job learning these days.”

“Because of the financial crisis, our budget for competency development is reduced, but this does not mean that our investment in competency development has decreased as well. The development of competencies still occurs, but it takes place in another way. Now, we deal with development in a more creative way and do not only look at training as the single solution for developmental needs. For example, nowadays we do a lot more on-the-job training, coaching, etc.”

“We try to make maximal use of the investments of the sector funding.”

In our model, there is a double-headed arrow between competency development and the broader organizational and socio-economic context, as HR professionals indicated that competency development initiatives are not only influenced by the context but can also exert an influence on the context in which they reside. Thus, a bidirectional relationship exists

between context and competency development practices.

“We hope that our investment in competency development will stimulate our employees to invest in their own development. As such, we wish to create a learning culture in which lifelong learning is highly valued. We also hope that other companies will follow our example so that we cannot only create a learning culture in our organization, but a broader learning climate in Flanders. As knowledge is our primary resource, I believe we will all benefit from it.”

Discussion

The main purpose of this study was to unravel the process of competency development in Flemish organizations. To this end, a longitudinal multiple case study within 22 organizations was conducted. Results from this study indicated that competency development is an important strategic HR tool in organizations, whose strengths lie in its integrative, continual and complementary nature. First, results from the study show that competency development is more than the mere summation of training, on-the-job learning and career management. It is a complex entity of interrelations between diverse developmental practices, which can reinforce each other and as such leverage the effect of a single practice by itself. Competency development thus integrates a complementary set of HR practices into one developmental trajectory. Previous research has shown that this complementarity in strategies can substantially facilitate its desired outcomes (Subramony, 2009). Second, the study also shows that next to a horizontal integration of complementary HR practices, competency development is also strongly integrated into the organization's strategy and culture as well as into the broader organizational and socio-economic context. As noted by Martín-Alcázar, Romero-Fernández and Sánchez-Gardey (2005), it is precisely this combination of a vertical link with the organization's strategy, a horizontal link among the different HR practices and an external link with the broader context that translates HRM into strategic HRM. Finally, competency development is an ongoing process. As employees develop new competencies

through the process of competency development, the need arises to re-assess their competencies via a competency assessment tool and to put them against the ever-changing challenges employees are facing, as such constructing a new personal development plan, and hence starting up a new competency development process. As such, competency development can provide answers to the rising flexibility demands organizations are confronted with by increasing the employability of their employees. To do so, however, organizations can only offer opportunities and the most optimal context for competency development. Whether competency development actually takes place largely depends on whether employees take advantage of these opportunities and are willing to invest in their own competency development. Therefore, this study also emphasizes that the self-directed behavior of employees plays an important role in the process of competency development.

Main contributions of the study

This study contributes to the HRM literature in several ways. First, our study adds to the long-standing debate about the strategic value of HRM by demonstrating the pivotal role that competency development plays in creating value for the organization, at least when competency development is implemented as an integrated process. As organizations today are increasingly confronted with the challenge to flexibly anticipate and respond to changes in their environment, a more flexible approach to their human resources is needed (Bhattacharya et al., 2005; Nybo, 2004; Vakola et al., 2007). In addition, due to the so-called ‘war for talent’ (Axelrod et al., 2001), organizations increasingly need to capitalize on the human resources they have in-house. As such, the way organizations manage their competency development process becomes a critical distinguishing factor for HRM. Or in other words, through a well-designed competency development process HR can realize strategic value for the organization.

Second, by examining competency development through the theoretical framework of the resource-based view of the firm and HR system strength theory, the study provides a much needed bridge between theory and practice in the competency debate. Consistent with the resource-based view of the firm in the strategic HRM literature, we considered in our study both the vertical integration of competency development with the organizational strategy, as well as the horizontal integration of HR practices by taking a process perspective on competency development. As all cases emphasize the importance of both these vertical and horizontal links, theory and practice support each other in their perspective on competency development. Moreover, research on the HR system strength theory (Bowen & Ostroff, 2004) emphasizes that internally consistent bundles of HR practices are more strongly associated with organizational performance than individual practices are (Combs, Liu, Hall, & Ketchen, 2006). In a similar manner, the organizations in our case study aligned and integrated different developmental practices to create a coordinated bundle of HR practices of which the effect exceeds that of the individual practices constituting this bundle. As such, results from this study are aligned with the theoretical principles of HR system strength.

Third, our study is one of the first to empirically address how competency development takes place in organizations using an integrative perspective. Whereas most studies have limited their investigation of competency development to training and formal education, thereby ignoring other HR practices that might stimulate competency development (Nybo, 2004), our framework shows that a broad range of initiatives (training, on-the-job learning and career management) must be taken into account. This is in line with previous research which shows that on-the-job learning and career management are equally important in the process of competency development (Lai & Kapstad, 2009; Nybo, 2004; Van der Heijden, Boon, Van der Klink, & Meijjs, 2009). In fact, our study supports the idea that the

use of ‘complementary resources’ is of critical importance (Barney, 1986), as the core of competency development lies in the strong focus on competencies and their development through an integration of practices. This contrasts with the approach used in earlier studies which focused on the optimal implementation of training, on-the-job learning and career management as HR practices within distinct, separated HR domains. As such, earlier studies focused primarily on the individual practices that are involved in competency development, while a more integrated perspective was lacking (Garavan, Morley, Gunnigle, & Collins, 2001; Van der Heijde & Van der Heijden, 2006). This study overcomes this limitation by providing a first empirical insight into the integrated process of competency development.

Fourth, one of the core ideas of competency development is that developmental activities are integrated into one developmental process in which these activities can strengthen and reinforce each other. Earlier research has shown that, from an employee perspective, such an integrated approach is positively associated with employee commitment and reduces the likelihood of turnover (Benson, 2006). Our study adds to this by using an organizational perspective on the characteristics and benefits of such an integrated process. More specifically, our study stresses that competency development enhances employability, which is not only beneficial for employees to ensure their ‘career’ security through lifetime employability, instead of lifetime employment (De Cuyper, Bernhard-Oettel, Berntson, De Witte, & Alarco, 2008; Van der Heijde & Van der Heijden, 2006), but which is also beneficial for the organization. As noted in a recent study by De Vos, De Hauw and Van der Heijden (2011), competency development positively influences employees’ career satisfaction through heightened levels of employability. Our study provides evidence that also from an organizational point of view the positive impact of competency development on employability is interesting. For organizations, focusing on the continuous development of

their employees' competencies is a necessity, since it enhances their ability to select and place employees throughout the organization in a flexible manner (Rodriguez et al., 2002).

A final strength of our study lies in its well-considered methodological design. First of all, by using a grounded theory approach, we developed a framework that is firmly grounded in organizational reality and that can account for all nuances in the data. Although the grounded theory approach is very time-consuming and takes a lot of research effort, it added greatly to the richness of our data and the resulting overall theoretical framework. Second, the case study design allowed us to collect our data through several information sources and different data gathering methods, advancing the reliability of our findings. Third, in the selection of our sample, we aspired to take a wide variety of organizations into account. By doing so, we did not only promote the generalizability of our findings but also created the opportunity to assess the influence of the organizational context on competency development. Furthermore, *“theory building from multiple cases typically yields more robust, generalizable, and testable theory than single-case research”* (Eisenhardt & Graebner, 2007, p. 27). As such, the multiple case study design of our study favors the strength of our theoretical framework. Finally, by opting for a longitudinal study, we created the opportunity for an in-depth exploration of the competency development process as it evolves over time. Furthermore, as the economic crisis occurred during the course of our research, we could clearly see how the broader socio-economic context impacts the competency development process in the organizations involved.

Main limitations of the study

Notwithstanding the significant role of the present study in clarifying the process of competency development, two main limitations have to be mentioned. First, the present study lacks a deeper insight into the role of the individual in the process of competency

development as the study was limited to the organizational perspective. As such, further research is needed to shed light on the employee's perspective. Second, although organizations agree on the importance of employee's self-directed behavior, an in-depth analysis of the specific role of self-directedness in competency development is missing. Whether competency development initiatives will actually lead to improved competencies largely depends on the investments made by the employee who has the responsibility to make use of these developmental opportunities (Van der Heijde & Van der Heijden, 2006). When looking at this issue from the perspective of Implicit Person Theory, organizations can view employees' self-directedness as a trait that is fixed and cannot be influenced (encompassing an entity vision) or as a characteristic that is malleable and can evolve throughout an individual's career (encompassing an incremental vision) (Dweck, 1999). Organizations sharing an incremental view on employee self-directedness will put a stronger emphasis on developing the learning and career competencies of their employees, as employees who possess these competencies are more likely to take charge in their development and career. As such, these employees will benefit more from the competency development practices that are offered by the organization. In contrast, organizations who adopt an entity view will look at employee self-directedness as an individual difference characteristic that cannot be changed. This implies that only those employees who score high on employee self-directedness and who take their development into their own hands will benefit from the organizational practices for competency development. The majority of organizations in our sample strongly express an incremental vision on competency development, by stating that employees' self-directed behaviors can be affected by HR practices that address their development as well as their personal active involvement in this. In contrast, those organizations that take this active involvement and proactive attitude on behalf of the employee as a given (present or not) might risk to lose part of the investment when they do

not support employees in becoming more self-directed in their development. An indication for this was found during the focus groups with organizations that were not part of our case study sample. However, more research on this topic is needed to better understand the association between an organization's competency development practices and employees' self-directed behavior.

Practical implications

In terms of managerial contributions, our findings have a number of important implications for HR practice. First, this study can be an interesting starting point for practitioners who want to set up a competency development policy in their organization. We hope that the good practices we uncovered in our study can inspire and stimulate these practitioners in their efforts to set up competency development initiatives. Second, the HR professionals in our sample indicated that the context in which they operate greatly influenced their competency development initiatives. The integrative framework we have presented in this paper can thereby serve as a canvas for implementing initiatives that fit within the specific organizational context and the types of competencies needed. Our research has clarified the central importance of competency development for organizations that operate in a dynamic environment that is characterized by continuous changes. Additionally, competency development may be especially useful for organizations that experience difficulties to fill vacancies for so-called bottleneck professions. In that particular case, it might be necessary to hire employees who do not meet all job requirements, but who can be developed into real assets if they are provided with the proper development opportunities. Finally, our results can provide guidance to policymakers in their endeavours to promote competency development in organizations. More specifically, policy makers can raise interest in competency development by sharing best practices and available knowledge among

practitioners. As such, the results of our study can form the basis to spark an interest in competencies and competency development among organizations.

Conclusion

Competency development is becoming a crucial strategic management tool in today's work environment (Bergenhengouwen et al., 1997; Nyhan, 1998). The present study provides a significant contribution to the literature on competency development and offers useful insights for practitioners. The integrative model we have presented can be an important steppingstone for scholars investigating the concept of competency development as well as for practitioners implementing or reviewing competency development within their organization.

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Appendix 1. Interview questions

First interview

Structure and strategy. What is the structure and strategy of your organization?

Is there a strategic plan for HR in your organization?

How would you describe the current climate in the organization?

Triggers for competency development. What does competency development mean for you? What are the main reasons for your organization to invest in competency development?

Which challenges in your business environment have inspired your organization to implement competency development as a strategic management tool?

Competency management. Which challenges in the business environment have inspired your organization to implement competency development as a strategic management tool?

How does your organization develop the competencies of its employees?

How are all the initiatives in the context of competency development related to each other?

Training and education. Which training methods are used in your organization?

What kinds of competencies are mainly developed through the use of training?

On-the-job learning. What is your organization's vision on on-the-job learning?

Which conditions are created in your organization to stimulate on-the-job learning?

What kinds of competencies are mainly developed through the use of on-the-job learning?

Do you have formal or informal procedures in place to stimulate on-the-job learning?

Career management. How is career management currently organized in your organization? Does your organization have specified career trajectories?

How do you perceive the future evolution of career management in your organization?

Different actors. Which actors have an important role to play in the process of competency development?

What actions do you expect from these actors to support competency development in your organization?

What is your vision on the role of the employee/the line manager/the HR-department/the government in competency development?

Trends and challenges. What are your organization's most important challenges in the field of competency development?

Which projects does your organization plan to undertake in the future?

Additional questions second interview

Structure and strategy. Compared to our last interview, did your organization experience growth, stagnation or decline?

Did your organization experience an impact of the global economic crisis?

Where there any substantial changes in the structure and strategy of your organization? Which ones? Why? What was their impact?

Triggers for competency development. Were there any changes in your organization's investments in competency development?

What are the main reasons for your organization to invest in competency development? Where there any changes as compared to the previous interview?

Competency management. Did your organization's vision on competency development change in comparison to the vision you expressed during the first interview? Which changes? What were the reasons for these changes? How did the change process go?

Did your organization's competency model change since the last interview? Which change? Why?

What was the impact of these changes?

Training and education. Did the general vision of your organization on training change?

Are there any changes in the investments of your organization in training initiatives? What are the reasons for these changes?

Do you perceive new trends that have developed in the training domain since the last interview?

On-the-job learning. Do you perceive any changes in your organization's vision on on-the-job learning? Which changes? What were the reasons for these changes?

Career management. Were there any changes in your organization's vision on career management? Did your organization put further efforts into the development of career management practices?

Different actors. Did your vision concerning the role of the employee/the line manager/the HR-department/the government in the competency development process change?

Trends and challenges. What emerging trends do you perceive in the field of competency development?

What recent trends regarding competency development do you perceive in your organization?

What new challenges do you see for your organization in the context of competency development?

Additional questions third interview

Structure and strategy. Does your organization still experience an impact of the global economic crisis? Was this crisis more of a threat or more of an opportunity to your current competency management system.

Competency management. Does your organization formulate prognostications for the future as to which competencies will be needed and which actions one needs to take to develop these competencies?

Training and education. When you look at training and formal education, what challenges do you see for your organization in the future?

On-the-job learning. When you look at on-the-job learning, what challenges do you see for your organization in the future?

Career management. How do you promote mobility within your organization? When you look at career management, what challenges do you see for your organization in the future?

Target groups. What are the most important target groups for competency development in your organization? Why? Where do you feel the need for competency development in your organization the most?

Trends and challenges. What new challenges do you see for your organization in the context of competency development? Where do you see your organization in 5 years (or where would you like to be)?