The Identification of Competency-based Human Resource Development Strategy

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Abstract: *Human resources are the key to a nation's prosperity. This study aims to describe the strategy for developing human resources based on competency and how to overcome the gap in developing human resources based on competency. This study uses a qualitative method, exploring phenomena related to developing human resources based on competency. Qualitative methods also aim to understand individuals' or groups' meanings, views, or experiences and the context behind the phenomenon being studied. This study also uses a descriptive approach and a literature study. The results of this study indicate that there are eight steps in formulating a strategy for developing human resources based on competency: identification of organizational core competencies, competency gap analysis, human resource development planning, implementation of training and development programs, competency-based performance assessment and evaluation, talent management and succession planning, utilization of technology in competency development, and a culture of continuous learning. Furthermore, the results of this study also obtained eight strategies to overcome the gap in developing human resources based on competency: competency gap analysis, training and development programs, competency-based career development, use of technology and competency management systems, periodic evaluation and feedback, a culture of continuous learning, awards, and incentives, cooperation with educational institutions. The government can use the competency-based human resource development model to realize the Golden Indonesia Generation 2024.*

Introduction

According to several researchers, eq. Marayasa et al. (2022), Motaleb (2021), Özçelik & Ferman (2006), and Septiadi & Ramdani (2024), Competency-based human resource development strategy refers to three dimensions of approach: ability, skills, and knowledge. These three dimensions are also called competencies relevant to job and professional demands. The competency approach aims to increase organizations' productivity, efficiency, and competitiveness amidst the dynamics of a changing business environment (Bairizki, 2020). There are several essential aspects of competency-based HR development. First, Competence is the Foundation for HR Development (Gangani et al., 2006; Septiadi & Ramdani, 2024). Competence includes knowledge, skills, attitudes, and behaviors needed to perform specific tasks effectively. In this strategy, HR development focuses on technical training and behavioral competencies (soft skills) such as communication, leadership, problem-solving. Next, second is competency-based assessment (Sidqiyah, 2020). Employee performance measurement is often carried out through competency-based assessments. This process evaluates how individuals meet the competency standards specified for a particular role. Assessment tools such as competency mapping and competency-based performance appraisals identify skills gaps and training needs.

Third, training should be designed according to competency needs (Kavanagh, 2021). Training and development in a competency-based approach are more structured and tailored to specific job needs. Training programs are not only general but focus on areas with competency gaps. This creates more effective and efficient training. The fourth is Linkage to Career Planning and Talent Management (Waheed & Zaim, 2015). Competency-based HR development is also integrated with talent management. Competencies identified at various levels of the organization

help design clear career paths for employees. This makes it easier for organizations to manage leadership succession and ensure that internal talent can be developed according to long-term organizational needs. Fifth, Adaptation to Technological and Business Changes (Cozzolino et al., 2018). In the digital and globalization era, employee competencies must continue to develop to adapt to technological changes and market needs. Therefore, competency-based HR development allows organizations to respond quickly to changes in the external environment.

Sixth, Benefits for the Organization. Efficiency and Effectiveness: Employees with the right competencies are more productive and can achieve better results. Employee Satisfaction: By knowing a clear career path and having the opportunity to develop new skills, employees feel more motivated and engaged. Competitive Advantage: Organizations with skilled and competent human resources can better adapt to market challenges and produce innovation. Competency-based HR development strategies not only improve individual performance but also support the organization's overall strategic goals. This phenomenon emphasizes the importance of managing employee skills in a measurable way relevant to dynamic business needs. However, there is often a gap between current competencies and desired competencies.

However, research on competency-based human resource development strategies still needs to be improved (Efendi, 2015). This condition is caused by the limited comprehensive research on competency-based human resource development strategies (Purnamasari & Irawati, 2021). An overview of competency-based human resource development strategies is essential for the success of Indonesia's future human resources. This is a hope for stakeholders in the development of Indonesian human resources. This is also related to the target of achieving quality human resources in Golden Indonesia 2024 (Azzahra & Rahyasih, 2024; Suteja, 2024). One of the efforts needed is to identify competency-based human resource development strategies (Fitria et al., 2022).

Various analyses discuss competency-based human resource development strategies. Sari et al. (2021) research discusses the development of civil servant resources. Research by Hendriyaldi & Yanti (2021) focuses on competency-based human resource development strategies for improving employee performance. Furthermore, research by Mursiti et al. (2021) discusses competitive and sustainable human resource development strategies in the sugarcane agro-industry. Meanwhile, a comprehensive discussion of competency-based human resource development strategies must still be completed. In line with this information, research on competency-based human resource development strategies must be conducted because it can provide comprehensive information on the stages of competency-based human resource development. In addition, the findings can be used as a basis for research on competency-based human resource development strategies. The results can also be utilized by the Government, Private Sector, Third Sector, and related stakeholders who wish to contribute to competency-based human resource development. Therefore, this study aims to identify competency-based human resource development strategies.

Method

This study uses a qualitative method to explain the competency-based human resource development strategy. This study uses a descriptive approach and a literature study by Murdiyanto (2020), Sadjab et al. (2024), and Sjaiful (2023). Penelitian ini menggunakan metode kualitatif untuk menjelaskan strategi pengembangan sumberdaya manusia berbasis kompetensi. Penelitian ini menggunakan pendekatan deskriptif dan studi pustaka (Khoyyinuddin et al., 2024; Sadjab et al., 2024; Surahman et al., 2020). Data were obtained from journals, books, and documents related to competency-based human resource development strategies. The collected data were analyzed using a descriptive approach to explain the definition of strategy, human resource development, competency, and competency-based human resource development strategies (Wiharjo &

Wulandari, 2023).

Result and Discussion
Definition

Strategy is a plan or approach to achieve a specific goal or objective (Utomo, 2018). Strategy often involves well-thought-out and sequential steps, considering internal and external factors affecting the desired outcom (Narsa, 2014). In practice, strategy is used in various fields, such as business, military, education, and personal life (Mawaddah & Safitri, 2024). For example, in business, strategy includes planning to achieve a competitive advantage in the market through product innovation, operational efficiency, or marketing strategy. In personal life, strategy can be a plan to achieve long-term goals, such as skills development or financial planning.

Furthermore, human resource development is the process of improving the skills, knowledge, and abilities of individuals in an organization or society so that they can contribute more effectively (Septiana et al., 2023). This process includes various activities, such as training, education, career development, and coaching programs, to improve individual and organizational performance. In the context of an organization, human resource development aims to increase productivity and work effectiveness and improve employee adaptability to change, both in the internal and external environment. Human resource development programs also aim to prepare future leaders, increase motivation, and create a work environment that supports growth and innovation.

Ultimately, competency is a combination of knowledge, skills, abilities, and attitudes that a person has to perform a particular task or job effectively (Rosmaini & Tanjung, 2019; Sjaiful, 2023). Competence includes technical understanding, practical skills, and relevant attitudes to achieve desired outcomes. In the workplace, competency is often used as a basis for employee recruitment, training, and development and in performance evaluations. Competence is divided into several types, such as technical competence (expertise in a particular field), interpersonal competence (communication and collaboration skills), and managerial competence (ability to manage a team or project).

Strategy Identification

A competency-based human resource development strategy is a powerful approach that focuses on developing employee capabilities. It does so by honing the skills, knowledge, and attitudes necessary to achieve organizational goals. The first step in this strategy is to identify the core competencies required by the organization to realize its vision. These competencies, which include technical skills, specialized knowledge, and behavioral and managerial skills, are specific to each position or role in the company. For example, communication skills are crucial for customer service roles, analytical skills for data analyst positions, and leadership for managerial positions.

Second, Competency Gap Analysis. After identifying core competencies, the next step is to conduct a gap analysis to determine the gap between the competencies that employees currently have and the desired competencies. This analysis helps companies understand areas that need to be developed. Steps: Employee performance assessment, Training needs assessment, and Feedback from managers or team leaders. Third, HR Development Planning. Companies must prepare a comprehensive HR development plan based on the competency gap analysis. This plan should include training programs and methods to improve the required competencies. Competency Development Methods: Formal Training: Workshops, seminars, and online courses; On-the-Job Training: Mentoring, coaching, or job rotation; and Self-Development: Providing access to reading materials, e-learning, or professional certification.

Fourth, Implementation of Training and Development Programs. After the plan is made, the implementation stage is the next step. Training programs must be carried out systematically, involving all related parties to ensure employees get the desired competency improvements.

Implementation Steps: Determine training priorities according to competency needs, Conduct competency-based training continuously, and Evaluate each training program to see its impact on employee performance—Fifth, Competency-Based Performance Assessment and Evaluation. After implementing the competency development program, it is essential to assess employee performance. This evaluation is carried out to see whether the competencies developed positively impact individual and organizational performance. Evaluation Indicators: Achievement of performance targets, Increased productivity, work quality, and employee and superior satisfaction.

Sixth, Talent Management and Succession Planning. Competency-based human resource development strategies must also be integrated with talent management and succession planning. By knowing employee competencies, companies can identify individuals who have the potential to be promoted or upgraded to strategic positions in the future. Steps: Identify potential talents based on competency and performance, Create a clear succession plan for each key position, and Focus on developing leadership competencies for future leaders. Next, The Seventh is the utilization of Technology in Competency Development. In the digital era, technology is an essential tool in competency development. A learning management system (LMS) can help companies track employee competency development in real-time and provide training that can be accessed anytime and anywhere. Examples of technology include e-learning platforms, competency and performance management software, and data analytics to monitor competency development.

Eighth, Continuous Learning Culture. To support this strategy, companies need to build a continuous learning culture. Employees are encouraged to continue learning and developing their competencies according to the organization's dynamic needs. How to Build a Learning Culture: Provide incentives for employees who are active in self-development, Provide easy access to training and development resources, and Make learning part of the organization's values. Thus, competency-based human resource development is a very effective strategy to improve individual and organizational performance. Companies can ensure that their employees have the skills and knowledge needed to achieve business goals by understanding core competencies, conducting gap analysis, and designing appropriate development programs.

Gap Overcoming Strategy

A competency-based human resource development strategy is an approach that focuses on developing specific skills, knowledge, and behaviors according to the needs of a particular job. In this process, organizations strive to ensure that employees have the competencies needed to achieve company goals. However, there is often a gap between current competencies and desired competencies. To bridge this gap, there are eight strategies that play a crucial role in the process of competency-based human resource development. The first strategy is Competency Gap Analysis. It involves identifying required competencies by mapping the skills needed for each position, Evaluating existing competencies, and Conducting assessments of current employee skills, knowledge, and attitudes through various methods. The remaining seven strategies build on this foundation, each playing a significant role in determining and addressing competency gaps.

Second, Training and Development Programs. Competency-based training: Developing specific training programs to close the identified gaps. For example, through technical, managerial, or soft skills training as needed; On-the-job training (OJT): Direct competency development in the workplace so that employees can practice the skills learned in the context of their work; Mentoring and coaching: Direct guidance from superiors or mentors to develop specific skills or improve performance. Then, Third, Competency-Based Career Development. Individual development plan (IDP): Creating a career development plan tailored to individual competency gaps. This includes setting short-term and long-term development targets. Job rotation and task enrichment: Providing opportunities for employees to work in various positions or work on cross-department projects to expand their competencies. Fourth, technology and competency

management systems should be used. E-learning platforms and Learning Management Systems (LMS): Utilizing technology to provide flexible and measurable training and development according to the competencies needed. Talent management systems: Using software or tools to track employee competency development, identify gaps, and plan development steps.

Fifth, Regular Evaluation and Feedback. Competency-based performance appraisal: Routinely assess employee performance against desired competency standards. Continuous feedback: Provide real-time or periodic feedback so employees can immediately identify areas needing improvement. The Sixth is a Continuous Learning Culture. Facilitate a learning culture: Encourage a work environment that is open to learning, where employees are encouraged always to develop their skills and update their knowledge. Self-learning initiatives: Facilitate access to learning resources that can be accessed independently by employees, whether through webinars, workshops, or online materials. Seventh, Awards and Incentives. Providing incentives for competency development: Providing awards to employees who have successfully improved their competencies through financial or non-financial recognition such as promotions or increased responsibilities. Eighth, Cooperation with Educational Institutions. Partnerships with universities or educational institutions: Establish relationships to provide more in-depth and certified employee training programs. Ultimately, by implementing these strategies, organizations can effectively reduce competency gaps, improve the quality of human resources, and ensure employees are ready to face future challenges and demands.

Conclusion

Human resources are the key to a nation's prosperity. This study aims to describe the strategy for developing human resources based on competency and how to overcome the gap in developing human resources based on competency. This study uses a qualitative method, exploring phenomena related to developing human resources based on competency. Qualitative methods also aim to understand the meaning, views, or experiences of individuals or groups and the context behind the phenomenon being studied. This study also uses a descriptive approach and a literature study. The results of this study indicate that there are eight steps in formulating a strategy for developing human resources based on competency: identification of organizational core competencies, competency gap analysis, human resource development planning, implementation of training and development programs, competency-based performance assessment and evaluation, talent management and succession planning, utilization of technology in competency development, and a culture of continuous learning. Furthermore, the results of this study also obtained eight strategies to overcome the gap in developing human resources based on competency: competency gap analysis, training and development programs, competency-based career development, use of technology and competency management systems, periodic evaluation and feedback, a culture of continuous learning, awards, and incentives, cooperation with educational institutions. The government can use the competency-based human resource development model to realize the Golden Indonesia Generation 2024.

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