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COMMENTARY

Adding competency models to the pay equity toolbox

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In building their case for job analysis/job classification being a useful tool in achieving pay equality between men and women in similar job roles, Strah et al. (2021) discuss the importance of the level of abstraction to use. Their discussion considers tasks for a low level of abstraction and general work activities for a medium level of abstraction. This commentary extends the discussion to include a higher level of abstraction that can be found in generic, behavioral-based, competency models. Such competency models have two characteristics that can make them particularly useful in determining the similarity of job roles when the roles to be compared are either distal in job family/function or when jobs may require similar behaviors but at different skill levels. Although there has been debate over the definition of competencies (Sanchez & Levine, 2009), for the purpose of this commentary competencies will be viewed as sets of behaviors or behavioral themes critical for the delivery of required job results that affect an organization's strategic concerns (Bartram, 2005; Sanchez & Levine, 2009).

The first characteristic that makes a competency model useful in comparing jobs across functions for the purpose of supporting equity in compensation (Campion et al., 2011) is that the competency definition and behavioral statements can be written in job-agnostic terms. Sanchez and Levine (2009) note that competencies should be easily understood by anyone regardless of job role. For example, in a hospital setting a competency "Understands others" could manifest in a security role as "Identifying suspicious behavior that might be a precursor to criminal activity by individuals within the hospital facility." For a role involving direct care of patients, this competency may manifest as "Identifying when patients are likely not to comply with care instructions (e.g., not getting out of bed without assistance)." In these job-specific terms it may be difficult to determine whether these two requirements place the same demands on employees. However, if "Understands others" is described in job-agnostic terms such as "Observes and analyzes behavior to understand others' reactions and perspectives" as defined by SHL's Universal Competency Framework (UCF; Bartram, 2005; SHL, 2019), comparable importance ratings for this competency could be assigned for both roles. Another benefit of using job-agnostic competencies to describe required work behaviors is that it can help address Strah et al.'s (2021) concern that some job analysis surveys overlook important but "stereotypically feminine tasks" such as emotional labor and interpersonal communication. Competencies based on behaviors associated with these tasks can be included to emphasize the behaviors' potential importance in a job but without directly linking them to tasks or job roles that are stereotypically connected with a particular gender.

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The second characteristic of competency models that makes them useful in comparing jobs for equity purposes is that they can be readily leveled in terms of the behaviors that are associated with the competency. As Strah et al. (2021) state, it is imperative to strike the correct level of abstraction of work tasks or activities to defensibly differentiate between jobs. Leveling allows making distinctions between jobs for which a common competency may be equally important, but the difficulty or complexity of behaviors associated with the competency required for each job role may be different. For example, in the UCF model the levels for the "Understands others" competency are "(1) Demonstrate understanding of what is implied by the straightforward actions and statements of others, (2) Demonstrate insight into the implications of people's behavior and relationships with others, (3) Accurately anticipate people's behavior and reactions" (SHL, 2019). This competency could be rated as highly important in both a retail sales role and in a law enforcement role in that both roles have to engage in understanding others on a regular basis. However, the behavior required in the retail role is unlikely to rise above a level 1, whereas the law enforcement role may require level-3 behavior. Thus, although the competency could be equally important for both roles, the jobs are not comparable on this competency because the levels required are different.

Levels in competency models can be approached in several ways such as job grade, pay level, or level of proficiency (e.g., novice, expert; Campion et al., 2011). To be effective in comparing jobs for equity purposes, the levels of competency models need three attributes: (a) be based on job requirements rather than job levels or individual traits, (b) be free from context unrelated to the competency, and (c) be based on a progression of clear and meaningful distinctions across the proficiency levels. Each one of these important attributes is discussed in detail below.

First, the competency proficiency levels should be based on job requirements rather than job levels or grades. Although some competency models assume that higher level jobs will always require higher levels on all competencies, that is not necessarily the case. A lower level job may have a higher proficiency requirement than a higher level job on some components. A stark example of this is a competency around performing repetitive tasks defined as "Carries out repetitive tasks with care and diligence" (SHL, 2019). It is likely that lower level jobs would require more skill in this behavior than management-oriented jobs. Similarly, the levels should be job-requirement based rather than individual-trait based. Ease of execution of behavior modifiers (e.g., "effortlessly negotiates") should not be used. How naturally inclined toward a behavior a person is does not affect the actual job requirement. A person may be able to execute behaviors at a level and effectively fulfil the job requirements but may have to put a lot of effort into it. The level of effort required is inconsequential as long as the job requirement is met.

Second, competency levels should be free from context or qualifiers that go beyond the coverage of the competency. For example, if a competency is focused on rewarding performance and is defined as "Uses rewards fairly to recognize performance," higher level behavior may be defined as "Create new systems to ensure people are rewarded for good performance." But the higher level should not be confounded with other leadership-oriented competencies such as "Develops a culture that recognizes and rewards the effective delivery of results." Developing a culture and rewarding or recognizing performance are separate competencies.

Third, there should be clear and meaningful distinctions between the behaviors at the different proficiency levels. Levels should not be distinguished simply with intensity modifiers. For example, for the competency "Plans ahead" defined as "Develops detailed plans and completes tasks in a logical order" (SHL, 2019), it is meaningless to distinguish between levels 1 and 2 with the phrases "makes detailed plans" and "makes very detailed plans." Although there should be clear distinctions between competency proficiency levels, levels should also be cumulative. If a job requires the behaviors associated with level 2, then the implication is that level 1 behaviors may also be required in the role.

In considering using competency models as a tool to compare jobs for the purpose of achieving pay equity, two other issues need to be mentioned. First, job-agnostic competency models do not

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lend themselves to job-specific technical skills (Campion et al., 2011) such as proficiency in a particular programing language. Thus, it may be necessary to also include a technical/functional framework alongside the competency model to fully compare jobs. This does not negate the advantages of using a competency model to compare jobs. Once jobs have been determined to be substantially similar on the job-agnostic competencies, the technical/functional requirements can be more clearly compared independently. Second, one criticism of competency models is that they are not always created with the same rigor used in job analysis (Shippmann et al., 2000). However, competency models do not inherently lack rigor (Campion et al., 2011). When standardized behavioral definitions and statements have been developed to define competencies, they can be administered with the same rigorous standards applied to well-conducted job analysis surveys.

Properly developed and leveled job-agnostic competency models provide an additional tool beyond job analysis to help in comparing jobs for the purpose of achieving equitable compensation. Further adding to the potential value of competency models for this purpose is that they tend to resonate better with executive stakeholders than do job analyses to support employee management decisions. This may aid in the acceptance of them serving as a mechanism for anchoring compensation practices in a consistent framework of job-related behavioral standards that can also be used to support decision making across the human resources lifecycle (e.g., hiring, training, development, promotion, etc.; Campion et al., 2011). A leveled model can be used to create job profiles that will clearly define the competency requirements of a given role. Job profiles can detail the proficiency level required for a given role across the entire competency model, as determined by subject matter expert ratings. These profiles can then be objectively compared with the requirements of other roles when establishing pay, which naturally facilitates a fair and legally defensible pay structure across roles and/or job levels within an organization.

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