What exactly is competence, and how is it different from competency? My company is called Competence Systems, and I build Competence Models. I write about competence as being the desired end state for individual performance (Teodorescu & Binder, 2004). Many people have asked me what the difference is between competence and competency, why I call my models competence models, and how competence models are different from competency models. In addition, in the last three years, many articles in this publication have been written about competency and competence, some intermixing the two definitions and states, and some challenging the view that competence is indeed a desired end state for individual performance (Tosti & Amarant, 2005; Gander, 2006).

This article is written in the hope that it can answer these questions and reduce the lack of clarity in the field. It is designed to give people clarity and understanding about a practical, theoretically sound, and successful set of definitions, ones that I use and my company uses. With this understanding, people can accurately compare the two models and make an informed decision about the model that will be of most worth to their own companies.

According to the dictionary, the words competence and competency mean basically the same thing:

**Competence** (noun). a. The state or quality of being adequately or well qualified; ability. See Synonyms at ability. b. A specific range of skill, knowledge, or ability (American Heritage Dictionary, 2006).

**Competency** (noun). The quality of being adequately or well qualified physically and intellectually (WordNet, 2006).

**Competence and Competency Models: The Major Differences in the HPT Field**

Given the dictionary definitions of competence and competency, it is no wonder that people are confused. So I wanted to clarify the difference within the field of human performance technology (HPT). Competence models are very different from competency models in their definition, area of focus, and, most important, the results achieved from them.
Definitions

To begin with, the definitions are different. As an example, I have provided a definition of competency by David Dubois and a definition of competence by Thomas Gilbert. Here is David Dubois’ definition of competency:

Those characteristics—knowledge, skills, mindsets, thought patterns, and the like—that when used whether singularly or in various combinations, result in successful performance (Dubois, 1998, p. v).

In contrast, competence equals worthy performance that leads directly to the most efficient accomplishment of organizational goals; that is the way that I use it and apply it in my work. The following definition is from Thomas Gilbert’s definition and formulas in his book Human Competence:

Human competence is a function of worthy performance (W), which is a function of the ratio of valuable accomplishments (A) to costly behavior (B).

\[ W = \frac{A}{B} \]

Performance = B + A

Competent people are those who can create valuable results without excessively costly behavior (Gilbert, 1996, p. 17).

Areas of Focus

As with the definitions, the areas of focus are also different.

1. With competency models the area of focus is the definition of skills, knowledge, attributes, and behaviors that successful people have. It is thought that if other people know what skills, knowledge, attributes, and behaviors successful people have, these others will be motivated to acquire them and will in turn become more successful. Practitioners who develop competency models work with trainers, human resource professionals, subject matter experts, and in some cases managers to define the skills, knowledge, attributes, and behaviors that successful people demonstrate. The desired outcome is to replicate the competencies of successful people in less successful people through hiring, training, assessment, and development programs.

2. With competence models the area of focus is the definition of measurable, specific, and objective milestones describing what people have to accomplish to consistently achieve or exceed the goals for their role, team, division, and whole organization. Gilbert (1996) says, “Improper guidance and feedback are the single largest contributors to incompetence in the world of work” (p. 91). The goal of competence models is to remove this cause of incompetence by providing clear and concise guidelines to success with clearly marked and measured milestones, in other words a Roadmap to Success. Because we at Competence Systems believe that any question about needs for training has to start with “what do people have to do . . . ?” we first define that very clearly, then the required skills, knowledge, and key tasks and behaviors to support competence become clear.

Results

As with the definitions and areas of focus for competency and competence, the results obtained from these two frameworks are different.

With competency modeling, the result is a list, graphic, spreadsheet, or interactive program that lists the skills, knowledge, attributes, and desirable behavior thought to be required for successful performance for a specific job role. One major problem is that these statements may be very broad and may not link directly to the actual day-to-day work or to the measurable results that the organization requires and pays people for. Here are three implications of this missing link that I have witnessed with several clients:

1. People may interpret competencies differently, which can lead to variability in performance.

2. People may not see the connection between achievement of competencies and their day-to-day jobs. For example, sales reps are motivated to be as successful as possible—their paycheck is dependent on it, but they are focused on what they need to do day in and day out to meet their goals for the quarter. Sales representatives and managers are not interested in attaining high-level skills, knowledge, behaviors, or attributes just for the sake of having them, unless they see a direct and immediate application to winning more business now.

3. Managers may have a difficult time systematically assessing, developing, and coaching competencies because they are subjective, they are not easily measurable, and they are often very high level and are not directly observable in day-to-day performance. For example, one manager stated to me “my sales organization is trying to drive double-digit growth, replicate top performers, and decrease inefficiencies and variables within the sales force. Neither my managers nor myself sees a ready-to-use, easy way to apply competency models to help our sales organization achieve these objectives. They are just at too high of a level and too far removed from what we are trying to accomplish day in and day out.”

With competence models the result is a framework that defines the following:

- The process used to generate the required results
- The critical step-by-step accomplishments, related tasks, and best practices that top performers consistently achieve to meet or exceed the goals of the business
• The skills and knowledge required to support achievement of critical accomplishments
• The environmental supports required to build, support, and maintain desired performance and competence levels, as well as the current obstacles obstructing achievement of needed results

Application

As with the definitions, areas of focus, and the results obtained for competency and competence, the applications for the two methods are also different.

Competency models are used in a variety of ways by organizations to build training, hiring, evaluation, and assessment programs. The most extensive process for which I have seen them used included the following stages:

1. Competencies are ranked for order of importance and desired level of attainment.
2. Individual performers are given the competency model for their role and told that to be successful they must exhibit the competencies defined in the model.
3. Self-assessments or 360-degree assessments (or both) are built based on the competency model and are administered to assess whether individuals have acquired all competencies. Individuals are given a number or a graphic (or both) indicating their areas of strength and weakness as compared to the required levels of competency for their role (or for a role to which they would like to be promoted).
4. Individuals are then given lists of training, tools, information, and resources to help them bridge any gaps and attain the desired level of competency.

Competence models can be used to provide guidelines to success, assess measurable gaps, and direct people to tools, resources, and training that are directly aligned with the work results required of the job and with the goals of the organization. Specifically, competence models can be used to

• Set clear, measurable, and specific expectations about how to produce the results the organization needs.
• Simplify management and improvement of performance by laying out a successful and repeatable work process, decreasing variability in performance, increasing consistent top performance, and controlling costs and risk.
• Measure, track, coach, and improve performance.
• Ensure training meets the performance requirements of individual roles and the goals and metrics of the business.
• Define and set measurable performance standards for hiring and selection.

Summary

To help you decide whether competence models or competency models would better meet your needs, the key differences between these two tools, based on my experience, are described in Table 1.

To summarize, from the articles published on this topic and the number of people who have asked me to explain the difference between competency and competence, I concluded that an article needed to be written to clarify how Competence Systems define competence and how competence models can be applied in organizations to improve performance.

There are many differences and some similarities between competence models and competency models in their definitions, areas of focus, and applications. The bottom line, though, is that
organizations pay people for results, not behaviors, and to ensure that your organization is training, supporting, and developing the right competencies, skills, knowledge, and behaviors, you have to first define what competence is for each role.

The definition for the desired state of competence as used by Competence Systems, myself, and other accomplishment-focused practitioners is derived from Thomas Gilbert’s definition of competence (1996). The state of being competent refers to having the ability to consistently produce the results (the worthy outcomes of behavior) that are required for the most efficient and effective achievement of the larger organizational goals. My work then is to help companies figure out the accomplishments required to most efficiently and effectively achieve their organizational goals. I call this a Roadmap to Success.

To conclude, “organizations are primarily interested in behavior or activities that have value—that are worthy. The only way to tell if activities are worthy is to look at the outputs that result from them” (Gilbert, 1995, p. 47).

References


