

# JCC Competency Survey Results

## Creating Organisational Magic: *The power of coaching and recognition*

A big thank you to everyone who contributed to this fascinating and revealing survey into capability development across a wide range of organisations and roles.



The aim of the survey was to understand the relationship between a person's documented role competencies compared to the reality of doing the job on a day to day basis. Furthermore, we wanted to explore the opportunity for individuals to develop, how this is supported, and the importance placed on this through reward and recognition.

Why is this important? With an average 25% of our time spent at work most of us want to use and develop our talents and feel we are valued for this. There are also two very compelling reasons for organisations; firstly the benefit in growth and revenue that highly performing employees bring to an organisation and secondly the cost to organisations of low retention.

Research shows that motivated and top performers are less likely to move on, and achieve more both individually and for their organisation. The Hay Group reported that companies rated highest for engaging and enabling their staff, do achieve between 2.5 and 4.5 times revenue growth from that of the organisations who were rated lowest in their study.

A recent study by Oxford Economics found that the average cost to replace an employee in the UK is £30k and UK businesses spend around £4.1 bn per year on staff turnover.

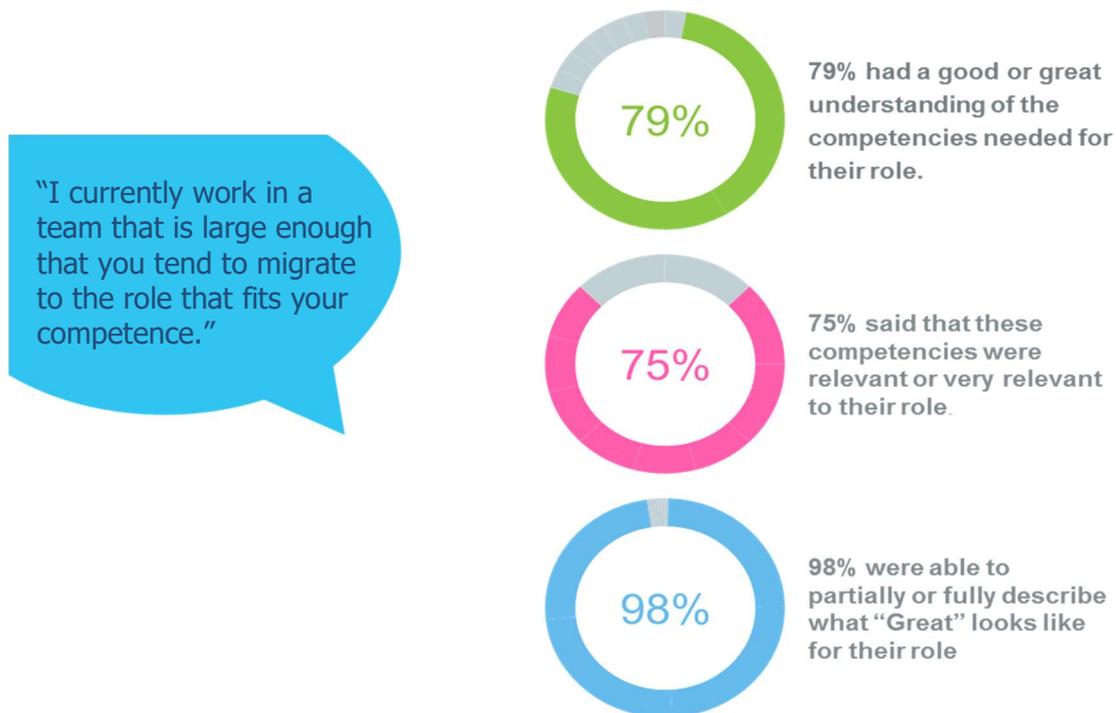
In the UK it costs companies on average £30K to replace Someone into a role

It is also worth noting it takes on average 28 weeks to get a new recruit to the previous performance level of the person they replace.

Could organisations be missing this valuable trick? Should they be putting significant time, process and tools into supporting their people's potential?

The initial findings from our survey were as you might predict, however closer reflection enabled some fascinating insights and challenged us to consider a different perspective. We had responses from a diverse set of organisations such as Pharmaceuticals, Utilities, Public sector, Car manufacturers, charitable organisations to name a few which was really interesting to see.

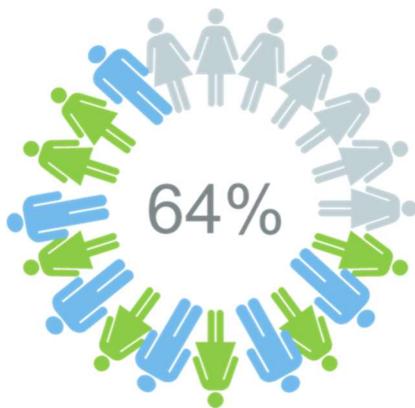
On the question of job role competency the following findings were observed;



The results are really positive and demonstrate that organisations are generally aligned on what competencies are required (attitudes, skills and behaviours) for each role and that they are relevant. Furthermore it was particularly encouraging to see that almost everyone who took part in the survey was able to articulate to some degree what great performance looks like which again suggests that very good foundations are in place.

Adopting a periodic review of competencies will assist organisations to keep each role relevant, future focused and above all aligned across the business. Furthermore we know that well developed job role competencies aligned to business goals can enhance job satisfaction.

We then asked what opportunity there is for individuals to practice and use their competencies and how well this is supported by the organisation and manager.



On this point we saw a slightly lower result with just 64% stating that they had a lot or a great deal of opportunity to use or practice their competencies.

We saw from the survey that the overwhelming majority know what great is, yet around third of us are not able to put these required competencies into practice or take the time necessary to develop. Yet with these competencies being seen as key for their role there is a big opportunity to be taken to enable this development of skills.

## Businesses that Win, Coach

The main challenge is to combine time for day to day business and right Time for skills development.

It was on the question of what level of support is given in developing competencies that we saw our biggest surprise. Whilst 90% were given some level of support, only around a third was given significant help to develop their competencies.

But what about the other two thirds? If it were possible to reach even half of these the rewards in performance, retention, and business benefit could be great.



Quite simply, growing a business requires the right conditions. There are some clear things that organisations can do such as embedding a culture of learning and implementing a framework for their managers to develop their team's potential. This can be done through a variety of tools such as coaching.

When it comes down to coaching there are different approaches but particularly effective is coaching performed by the manager. What separates managers who coach and those that don't is their belief that taking regular (one2one) time out for reflection then supporting development and continuous

improvement is a critical activity that will see real tangible results. The research backs the economic advantages of doing so.

If it is seen as a one off or adhoc event an organisation may not sustain the benefits that coaching can bring. And it is not just people who are already high performers who can benefit from coaching, an organisation is the sum of all its parts and it is as important to support the whole team not just the stars. Not all managers are natural coaches but this is a skill that can be trained and supported in order to develop manager's skills.

## In the battle between words and money who wins?



Do managers know how to reward their teams for demonstrating high competency? On this question only 37% stated that they were very well rewarded.

So why is recognition important? Most people like to be appreciated, yet this mechanism for motivating

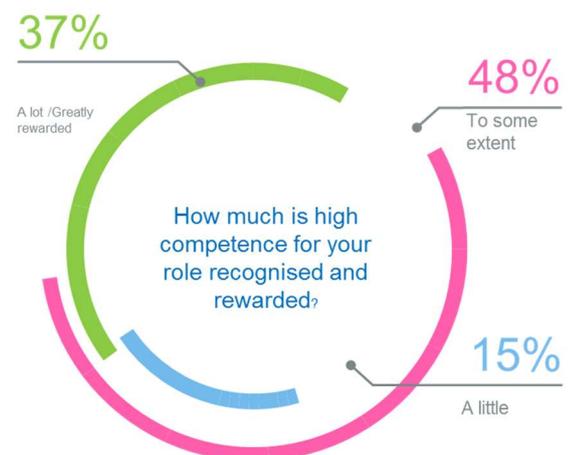
and retaining the best people can be overlooked with employees finding it hard to feel special especially in big organisations.

A recent survey in the US found 77% said they would work harder if they were better recognised.

Employee engagement can have a material impact on the bottom line, for instance companies with a higher than average employee engagement ratings achieve 50% higher sales and 38% higher productivity. (*Blackhawk Engagement US 2014*)

Recognition doesn't need to be monetary, in fact sometimes being valued through another type of reward for such as a thank you gift for contributing to or achieving business goals can have a longer lasting and more memorable effect on a person's motivation.

Many organisations are also questioning the effectiveness of their current organisation's employee review and recognition process and whether one size fits all is still relevant. Implementing a fair and transparent framework for recognising achievement that is motivating and more tailored for the individual, gives clear sight of the business priorities and behaviours required will drive better performance and reduce could have a hugely positive impact for the organisation.





With nearly two-thirds indicating in the survey that performance was only partially or sometimes rewarded, removing inconsistencies such as improving timeliness of reviews, when and how recognition is acknowledged would improve employee engagement.

Consideration should also be given to how the individual will interact with any recognition schemes such as; introducing gamification, developing team determined goals, peer recognition crowdsourcing for reward allocation.

There's a lot of flexibility and variation re the expectation level anticipated from me- so it is sometimes hard to know at what level I am meant to be performing

As Peter Senge stated in his book 5<sup>th</sup> Discipline "People expand their capacity to create results where collective aspiration is set free and where people are continuously learning how to learn"

So if people are important, coaching is essential, rewards are critical, what's stopping us?

Organisations should invest in developing their leader's coaching skills to build their internal

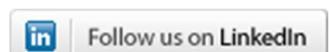
capability. Leadership buy in is also critical to inspiring a culture of learning which is then under-pinned by a framework for rewarding performance.

By doing so employee retention will be increased and greater organisational performance can be achieved which could be a real differentiator in an increasingly tough economic climate.

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If you are as excited as us about the value of people and the spectacular difference they can make to your business, then get in touch to find out more about how we can work with you.

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References/ further reading

Scott Campbell Daily Telegraph Feb 2014

HAY Group 2010 research

J Weintraub, M Hunt HBR 4 reasons managers should spend more time coaching May 2015

Blackhawk engagement 2014

Peter Senge Fifth Discipline