Step by Step for Understanding To Improve Your Company

Competency Testing is a true fundamental, we do it in many aspects of our lives – college, grade school – why not employees especially as well look to develop them for prosperity!

*If you understand the basis for why competency testing is sound – which is so we know what we don’t know, and can then train on what we should know, then it is very simple.*

*EVERY employee position should be competency tested before they are hired or promoted, so a properly designed training plan can be established to INCREASE productivity for the employee and ultimately the company!*

Competency testing is not new – far from it!

The military has used it for countless years. We use competency testing in our schools. Employers have used it as well. Why don’t we as contractors do more of it?

Actually, many successful contracting companies do! It is how they use the testing that is the critical factor.

Most companies that use competency testing have discovered two things:

1. It tells them a great deal about what people don’t know so they cannot fake their knowledge.
2. It can and does require behavioral testing or interviewing to coincide, because you can still be a huge technical talent and be a poor hire. So you need to incorporate competency testing into a well-rounded and detailed interviewing and hiring process that allows a total viewpoint of any potential employee.

So in order to do this, you may want to check the site for the articles and resources on interviewing techniques, and hiring processes, that tie directly into competency testing.

Competency testing (alone) is only one piece of the employee development puzzle.

Step by Step to Using Competency Testing well

1. Define each job in your company that can benefit from competency testing and make a list.
2. Define the job expectations – what do want from the job (this can be a part of, or independent of a job description, and is NOT a list of activities we do, but a list of activities AND actual behaviors that match the core values of our company).
3. Define the skills required to do each and every job. This is extremely hard but critical not only to the need to create accurate and equitable testing parameters, but also the training to do these activities.
4. Define the job performance benchmarks that match the skills –

Example: Service Technician – Example job benchmarks

1. Attitude on the job with team – character.
2. Image – how they look, act and feel each day.
3. Timeliness & accuracy of paperwork completion.
4. How many sales leads the create (over 10 year old equipment).
5. Service agreement sales per 100 service calls run.
6. Service agreement leads turned over to sales.
7. Accessory opportunities converted to leads/sales.



1. Gross profit dollars per man-hour produced.
2. First time call completion ratio of 85%.
3. Warranty callbacks of 1% or less on work performed.
4. Truck revenues of $ 125,000 or greater per year.
5. Inventory for the truck kept at 100% accuracy levels.
6. Use of PDA for wireless service invoices.
7. Customer service evaluation ratings.
8. Mentoring of younger maintenance technicians.
9. Attendance at all service training workshops.
10. Completions of personal skills development plan.

These are simply examples of job requirements – you may have them – you may have only some of them – you may not have them at all!

If you did and could test for the skills required to produce the desired results, then you can begin to set-up training that corresponds to the skills.

Also, be aware within the context of the job performance benchmarks – there are numerous skills to complete one benchmark. These skills required to achieve/exceed the job performance fall into three categories.

Stay within the Technician Example – review these ideas

**Physical Skills**

* Understanding about and use of tools.
* Ability to drive a vehicle.
* Reading and Writing
* Appearance

**Emotional Skills**

* Ability to relate to people.
* Listening Skills
* Communication Skills
* Empathy
* Character
* Ability to accept change/adapt.

**Economic/Analytical Skills**

* Diagnostic Ability
* Application Knowledge
* Product Knowledge
* Ability to learn and grow.
* Ability to use basic math.

These are simply examples and do not necessarily reflect all the areas you may want to consider, but they are most of what we look for in combination with our company’s core values and philosophies of conducting business.

So as we test, or review and interpret a test, and conduct interviews in concert with competency tests, we are doing so based on the skills and requirements for our company, the company values, and the job skills.

It makes a total package of which the tests are adding details to the landscape.

1. Define the training and resources required to meet the challenges of the job performance described in # 2 and # 3 above. Having the skills outlined, such as being able to speak to a customer about a service agreement, may require economic and emotional skills. But the job also requires certain tools/resources to effectively do the job. Examples of this are:

* Service Flat Rate System that is Technician Friendly.
* Service Invoice that helps support consumer Education Processes.
* Service Agreement that ties to sales process.
* Technician Training to Support the use of these tools.
* Technician Debriefing Process after the service call.
* Compensation for achieving objectives.

There are more, but these areas provide examples of how training & resources come together to support one of the areas of performance such as the sale of service agreements to a homeowner. This is one item on a large list from # 2 above, and each performance expectation and benchmark needs to be thought out so as we begin to test, we know what it is we are testing to find out?

1. Discuss the Process with the employee or job candidate. It actually may seem a bit intimidating, but in the end, it is impressive to know that a company has its act together, and is working hard to train the employees to develop them so they can benefit as well as the company.

Have a dialogue and involve your team. The rewards outweigh the risks.

1. Administer the tests and review the results.
2. Interpret the test results. How do your individual employees fare?
3. Implement a customized training platform from the testing results. Many companies have training for all aspects of what they do. This is great. However, if I understand something and can execute it well – why are you making me spend time in this environment? Use the generic training for employees who need it, use specialized training from the testing.
4. Have the generic training calendar, and the specialized individual employee calendar. Both are relevant (each employee needs to be tested for their area of required competencies). Each employee needs a personal skill development plan that includes:
5. Their skills required for the company and job performance.
6. Their personal development plan – tied to their goals (Career).
7. Tie these developmental areas to their compensation and job review process. A company is accountable for training and development, but so is an individual employee.
8. Continue to create tests, and adapt as you learn and grow. Nothing is static.

The use of competency testing to determine what we know, and what we don’t know can be used extremely effectively.

Organizations need to remain focused on the principle that **PEOPLE** derive results –

* Not process
* Not technology
* And certainly not marketing.

All of these areas are supportive of the personnel skills.

Using competency testing to identify the strengths, weaknesses and conduct employee GAP analysis is so employee training can be focused on the needs.

Those contracting organizations that use a process like this will have employees focused on the outcomes such as:

* Profitability and understanding their role in creating profitability.
* Gross Profit Dollars per Man-Day or Man-Hour.
* Development of New Processes to improve company performance.
* Improved Service Agreement Sales.
* Customer Focus and higher customer satisfaction.
* More referrals.

It is not rocket science – but it does combine ART and SCIENCE

Why is this Critical to Your Success?

* Conducting employee competency testing can raise eyebrows if it has not been a standard of practice prior to instituting it – like substance abuse testing – it has accountability attached to it – and many get uncomfortable with the fear of the unknown. The unknown of the test. However, this accountability allows for a clear training path.
* Creating competency testing makes the ownership of a company accountable for knowing what is expected, understanding and defining the skills required for the jobs within the company, and then hiring/training to those standards everyone has agreed are realistic.
* How do you tailor training to cover the key job functions, such as how to perform a maintenance inspection, or repair a high efficiency gas furnace with specific training requirements? Product areas, customer service areas - a competency test allows for this to be identified and then you simply have to act on your knowledge.
* Use of competency testing should not be used alone for hiring procedures, although it can be a part of your hiring process, it should NOT be the determining factor. Instead, the competency test should become a tool for you to understand the strengths, weaknesses and knowledge levels of the employee. In addition, how the prospective employee thinks and solves problems.
* The design of the test is critical in that you want to know what they know and don’t know, but also how they think, behavioral questions, how the employee may problem solve, and what to prioritize first for their job requirements. Align the testing with the key skills required in your company.
* Having a competency test is one step – read the article on hiring processes and tie the package of hiring together to improve your hiring procedures.
* Competency testing identifies strengths and weaknesses, so your company can implement a training plan to support the individual and how they can perform their job. **This helps productivity, and when productivity is raised, so are profits!**