

# Development of an HR Practitioner Competency Model and Determining the Important Business Competencies: An Empirical Study in Malaysia

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**Abstract-** *The objectives of this study are to develop an HR competency model perceived by the HR professionals and to determine their roles as strategic business partner (SBP) in Malaysia. An empirical study was carried out during 2009-2010 among the HR practitioners and consultants. Data were collected by using structured questionnaires and a total of 380 (n) complete questionnaires were used for the statistical analysis. Structural equation modeling (SEM) was carried out to develop the HR practitioner competency model. Findings demonstrated that the 'generic/ behavioral competency' category and 'technical HR competency' category were significant to the competency model. Though, six business competency factors were found statistically important, but the overall business competency category was not significant. That implies HR professionals highly contribute to the operational activities rather than being strategic business partner (SBP). The findings can be useful in establishing competency frameworks, measuring human capital capabilities, designing training programs, establishing on-boarding programs, developing career and succession plans, and drawing the appropriate reward plans.*

**Keywords-** *Generic/ behavioral competencies; Technical HR competencies; Business competencies; Competency category; Competency domain; Competency factor; and Strategic business partner (SBP)*

## 1. BACKGROUND

A competency model is considered as an effective measurement tool that helps employees agree on a common language by translating organizational strategies, goals, and values into the specific context (Chouhan & Srivastava, 2014). Similarly, competency levels of human resource (HR) that can be described through modeling (Palan, 2003) contribute to improve the performance of the human resource (HR) practitioners by specifying the significant competencies (Draganidis and Mentza, 2006). However, competency-based HRM is becoming a core strategy to align internal behavior and skills with the strategic direction of the organization (Chouhan & Srivastava, 2014). In the past, the HR practitioners primarily focused on the generic/behavioral and technical competencies that involved them with the functional management only. But according to the demand of current business world, HR professionals need to play the roles of strategic business partner to respond to the changing global business trends (Hamid Abdullah, 2013). Therefore, they should have explicit competencies in the specified field as well as in business decision making (Graddick-Weir, 2005) in order for succeeding as strategic business partners (Meyers, 2012). Competency models are required to be developed, improved, and modified from time to time since the global business trend is changing at an unprecedented rate. HR activities are significantly influencing on the organizations' ability to cope with these changes. Therefore, it would be worthy developing a

competency-model for the HR practitioners of Malaysia based on the 'significant HR competencies' while examining the presence of 'business competencies' to determine if the HR practitioners are playing the role of strategic business partner (SBP).

### 1.1 THE OBJECTIVES

The objectives of this study were 1) to develop an HR practitioner competency-model of the HR practitioners of Malaysia by determining the 'significant HR competencies'; and 2) to identify the important 'business competencies' to determine if the HR practitioners were playing the role as strategic business partner (SBP).

### 1.2 RESEARCH QUESTIONS AND HYPOTHESIS

In parallel with the research objectives, two research questions were drawn:

1.2. 1) What are the significant competencies that have relationship with the HR practitioner competency model?

1.2.2) What are the important 'business competencies' that influence the HR practitioner competency model?

Based on the research questions, three (3) hypotheses were drawn in a logical manner.

H1: The generic/ behavioral competency category has a direct and positive relationship with the HR practitioner competency model.

H2: The business competency category has a direct and positive relationship with the HR practitioner competency model.

H3: Technical HR competency category has a direct and positive relationship with the HR practitioner competency model.

## 2. COMPETENCIES

Competencies can be defined as “behaviors that an individual needs to demonstrate”, or the “minimum standards of performance” (Strebler, Thompson, & Heron, 1997) that has significant relationship with the job performance (June & Mahmood, 2011). Competency standard determines the essential skills and knowledge that the workers should possess to accomplish certain level of performance (Draganidis and Mentzas, 2006). Selznick (1957) and McClelland (1973) illustrated the key factors of competencies emphasizing on the individual’s learning and performances, though the concept of competencies was popularized in management by Richard Boyatzis (1982). Developing competencies is important to respond to the global competition, economic pressures, changing technology, and customer demands (Mohd Noor & Dola, 2009). Alike other management personnel, with appropriate competencies HR professionals can also contribute in achieving the expected organizational goals (Dave Ulrich, Brockbank, & Johnson, 2008). However, many private and public entities are moving towards the competency-based human resource management (HRM) systems in order to meet the organizational needs. Notably, based on the key workplace competencies, comprehensive frameworks were developed in Britain, Australia, and the United States of America in the late 1980s and early 1990s. Development efforts in these countries were driven with the concern of workplace changes, and enhancing the generic skills that the employers required (Kearns, 2001).

### 2.1 COMPETENCY MODEL

Competencies are the building blocks of a competency-model. The term ‘competency framework’ is synonymously used as ‘competency model’ (Shippmann *et al.*, 2000) which is a descriptive tool; graphically shows the skills, knowledge, personal characteristics, abilities, and behavior of the people who are working in an organization (Wall, 2000; Chung-Herrera *et al.*, 2003). Similarly, in the landscape of human resource management (HRM) a comprehensive competency model can display the skills, knowledge, and performance of the HR personnel by showing relationship between the elements of HRM system in a unified and coordinated manner (Hondeghe, 2002; and Horton, 2000). It can combine the “competencies, which are derived from observing satisfactory, or exceptional employee performance for a specific occupation” (Draganidis and Mentzas, 2006). In addition, by clarifying job allocation and work expectations as well as hiring appropriate people, maximizing productivity, adapting changes, and aligning with the organizational strategies, and values, an inclusive HR model can substantially support the business (Wall, 2000).

## 2.2 SOME COMPREHENSIVE COMPETENCY MODELS

### 2.2.1 Model of ‘Generic Competencies’

Generic competencies provide a starting point for companies to tailor a competency model for the organizations and managers (Koenigsfeld, Kim, Cha, Perdue, & Cichy, 2012). Generic skills are defined as “those transferable skills, essential for employability” needed in the workplace due to the emergence of an information society and knowledge-based new economy (NSTF, 2000). In 1988, the American Society for Training and Development/Department of Labour (United States) (ASTD/DOL) studied the ‘workplace basics’ and underscored 16 significant skills that can be considered as generic competencies (Figure 2.2.1 in Annexure).

### 2.2.2 Evolutionary HR Competency Models

Figures (2.2.2) in Annexure outlines the evolution of the human-resource competencies that were determined through a series of researches carried out by the Business School of University of Michigan from 1987 to 2002. Among the four HR competency models, there is a commonality regarding business competency entitled as ‘business knowledge’ (Dave Ulrich *et al.*, 2008). Besides, changes, personal credibility, HR delivery, HR technology, culture and strategic contribution are included in this evolutionary HR competency models.

### 2.2.3 Model with Six Fundamental Competency Areas

In 2008, Ulrich *et al.*, asserted that the HR professionals need to adapt six major competency areas (Figure 2.2.3 in Annexure) including credible activist, culture and change, talent manager/organization designer, strategy architect, operational executor, and business ally (Ulrich *et al.*, 2008). Notably, ‘Business ally’ can bring together the business, customers, products or services, and functions of the various corporate departments and thus contribute to the success of business in the social context (Ulrich *et al.*, 2008).

### 2.2.4 HR Competency Model (2012)

In the process of evolution of the HR models, in 2012 Dave Ulrich, Brockbank, Younger, & Ulrich developed a modified competency model as given below (Figure 2.2.4 in Annexure). In this model, the ‘strategic positioner’ explains the “high-performing HR professionals understand the global business context – the social, political, economic, environmental, technological, and demographic trends and translate these into business implication”. ‘Capability builder’ describes that the “effective HR professional creates, audits, and orchestrates an effective and strong organization by helping to define and build its capabilities”. ‘Change champion’ indicates the “effective HR professionals develop their organization capacities for change, and then translate that into effective change process and structures”. ‘HR Innovator and integrator’ specifies “the major competencies of effective HR professionals are their abilities to integrate HR practices around a few critical business issues”. The ‘technology proponent’ elaborates that “the HR professionals can apply social networking technology to

help people stay connected with one another while practicing management information system” (Dave Ulrich, Brockbank, Younger, & Ulrich, 2013).

### **2.2.5 South African HR Competency Model**

‘South African HR Competency Model’ consists of three broad areas of competencies: four pillars of professionalism, five core competencies, and five HR capabilities (Figure 2.2.5 in Annexure). This competency model emerged from an HR profession map covering all functions, elements, and components of the HR profession. It indicates that the Human Resource in South Africa is unique to a very specific context. This model shows a balance between personal, business, and HR competencies. Four pillars of HR professionalism demonstrate the fundamental issues of the South African Society. For instance, ‘duty to society’ reveals HR professionals have duties to society in delivering high-quality HR works. ‘Ethics’ is another pillar that indicates the importance of HR professionalism and the ethical contribution towards the organizations. Professionalism explains how HR professionals manage themselves professionally in acting and behaving like true professionals in the standard of HR work. The fourth pillar, ‘HR and Business knowledge’ indicates that HR professionals must have sound HR and business knowledge if they want to be successful as professionals and strategic partners (Meyer, 2012).

### **2.3 Business Competencies**

Business competencies are defined as the business understanding, cost-benefit analysis, delegation skills, understanding the industry and organization behavior, and project management skills (Valkeavaara, 2002). Other business competencies were suggested by the ASTD, such as analyzing the needs and proposing solutions, applying business skills, driving results, planning and implementing assignments, thinking strategically and innovating (ASTD, 2013). Dave Ulrich *et. al.* (2013) asserted that high performing HR professionals expectedly can act as a ‘strategic positioner’ by understanding the global business context, such as social, political, economic, environmental, technological and demographic trend, and translating into business implication. In this regard, Graddick-Weir (2005) stressed on the HR professionals’ competencies in their specified field as well as in the business professionals. Similarly, ‘Business knowledge’ was prioritized in the evolutionary four models that were developed in 1981, 1992, 1997, and 2002 by Dave Ulrich *et. al.* (2008). In a nutshell, HR practitioners must have sound business knowledge if they want to be successful as professional and strategic business partners as asserted by Meyer (2012).

### **2.4 Strategic Business Partner (SBP)**

The term strategic business partner (SBP) is applicable to the organizational members who work with the management and contribute in formatting business strategies by developing plans at the enterprise level. A business partner works alongside the senior managers, and provides support towards business and organizational

strategies to face the challenge (Kenton & Yarnell, 2005). However, HR functions expectedly can contribute to the business management by playing the strategic role while operating the administrative task while operating the administrative task (Robinson & Robinson, 2004). In this regard, people who can understand the ‘business’ of the organization from human capital perspective are fit for playing this role. However, HR professionals need to acquire new knowledge and skills, ability to organization design, creativity and ability to solve problems (David, Jamieson, Eklund, & Meekin, 2012) in order to contribute towards business and organizational strategies.

The purpose of playing the roles of SBP is to become ‘partner in strategy execution’ in order to cooperate “with both senior and line managers in (by) focusing on how to ensure the overall needs of the organization” (Conner & Ulrich, 1996). An HR practitioner is better to be a partner rather than becoming an adjunct in an organization. But, despite willingness of the HR practitioners to play the roles of SBP, some organizations may resist this practice due to unfavorable organizational structure (Mundy, 2012).

### **2.5 HRM Practices in Malaysia**

During the period of colonization in the nineteenth century, British practitioners integrated their practices in the HRM context of Malaysia. Since that time Western and indigenous HR thoughts and ideology became the legacy of this nation (Hamid Abdullah, 2010). Major changes in HRM practice took place after the inauguration of ‘Vision 2020’ that aimed at shifting Malaysia towards a developed nation. This developmental plan brought about new challenges, such as (1) establishing a united Malaysian nation, (2) creating a psychologically liberated, secured, and developed Malaysian society, (3) developing a matured democratic society, (4) forming a community that has high morale, ethics, and religious strengths, (5) establishing a matured, liberal and tolerant society, (6) establishing a scientific and progressive society, (7) establishing a fully caring society, (8) ensuring an economically just society, and (9) establishing a prosperous society (Islam, 2010). Besides, multilateral agreements like AFTA (ASEAN Free Trade Agreement) that was ratified for ASEAN economic integration by liberalizing trade, is believed, have substantial influence on the HR practices in this region (MITI, 2013) as well as on the HR practitioners of Malaysia. That influence brought about the systematic and radical organizational changes in HR management (HRM) and general management (Tataw, 2012). In this regard, the New Economic Model (NEM) was launched in 2010 that envisioned economic growth to be primarily driven by the private sector in order to move the Malaysian economy into higher value-added state (Islam, 2010). The modern Malaysia represents a multi ethnic as well as multi cultural heritage of 28.8 million people (WB, 2013a). She epitomizes the complexities associated with the strategic organizational changes and initiatives to shift it towards a developed nation. In this regard, Malaysia needs skillful,

competitive and knowledge based public sector that can offer greater efforts (WB, 2013b). However, the present HRM practices in Malaysia are of mixed mode. Some of the HRM practices appear to be traditional and highly operational; whereas others are somewhat progressive and forward thinking (Hamid Abdullah & Ilham Sentosa, 2011a).

### 3. METHODOLOGY

#### 3.1 POPULATION AND SAMPLING

All the respondents were HR practitioners and HR consultants working in the manufacturing and services' sectors in Malaysia. HR practitioners were chosen randomly from the medium and large organizations. On the other hand, purposive sampling technique was used for selecting the HR consultants (Sekaran & Bougie, 2010; Cooper & Schindler, 2010). Sample size was determined as 1100 HR practitioners according to the disproportionate stratified random sampling frame (Sekaran & Bougie, 2010). For this purpose, 660 questionnaires (60% of the total survey questionnaires) were sent to the manufacturing sector, and the rest 440 (40%) to the services sector. Rate of return of the questionnaire from the HR practitioners was 34% and from the HR consultants 52%. According to Sekaran & Bougie, (2010) the percentage of return was acceptable. A total of 380 complete questionnaires (n) were useful for statistical analysis.

#### 3.2 QUESTIONNAIRE DESIGN

A survey was administered in Malaysia during the period of 2009-2010 by using a structured questionnaire that was developed based on the previous studies carried out by Brewster, Farndale, & Ommeren, (2000); Brockbank & Ulrich, (2003); and Dave Ulrich *et al.*, (2008 ). The questionnaire combined a total of 90 competency factors (items) that were bundled into 12 competency domains and then into three competency categories (Appendix 1). Thirty competency factors were included as the items of 'generic/behavioral competency' category, while 25 competency factors of 'technical HR competency' category, and 35 competency factors of business competency category. The questionnaire was prepared in English language in order to avoid lingual-bias. The questionnaire was mailed to all the HR practitioners. But to the HR consultants, a portion was mailed while the rest was personally handed over.

#### 3.3 MEASUREMENT

Items were measured by five-point *likert* interval scales that ranged from 'not important (1)' to 'very important (5)'. Nominal scales were used to analyze the demographic information of the respondents.

#### 3.4 DATA ANALYSIS AND RELIABILITY

Two statistical software; SPSS (version 17.0) and AMOS (version 17.0) were employed to conduct exploratory factor analysis (EFA), confirmatory factor analysis (CFA), and structural equation modeling (SEM). Items' reliability

was determined based on the values of *cronbach's alpha* ( $\alpha$ ). The alpha value of generic / behavioral competency category, business competency category, and technical HR competency category were 0.922, 0.932, and 0.886 respectively. Items were considered as reliable since the values of ' $\alpha$ ' were more than 0.7, (Nunnally, 1978).

### 4. FINDINGS

#### 4.1 BIOGRAPHICAL VARIABLES

Out of 380 respondents, 86.3% were HR practitioners and the rest 13.7% were HR consultants. Among the participants, 57.6% were males and 42.4% were females. Majority of them possessed master's degree (35.8%), followed by PhD degree (26.6%), diploma (17.1%), bachelor degree (10.0%), professional/others (6.0%), and secondary education (4.5%). Over 37.6% of the respondents were within the age bracket of 30 to 40 years, and 32.1% were between 41 to 50 years. About 66.6% of the respondents stated that their organizations were in operation for more than 10 years. The size of the companies were; more than 1000 employees 39.2%, 100 to 500 employees 26.6%, and less than 100 employees 24.7%. Participants' positions in the management were: top management 16.8%, middle management 46.1%, supervisory 9.7%, and others 13.7%.

#### 4.2 HR COMPETENCY MODEL FOR THE MALAYSIAN HR PRACTITIONERS

Structural equation modeling (SEM) was used to create a complete path model differing from the simple path analysis. Latent variables were measured by multiple indicators associated with the error terms while the residual error factor was connected with the latent endogenous variables.

##### 4.2.1 Goodness-of-fit indices of the model

Table 4.2.1 in Annexure displays the structural model-fit indicators. The 'P' value is more than 0.05. GFI is more than 0.9 (acceptable fit criteria), and RMSEA is less than 0.08. Therefore, the measurement model has a good fit with the data based on assessment criteria, such as GFI, P level, and RMSEA (Bagozzi & Yi, 1989). The model fits with the three competency categories (Figure 4.2). The testing of the endogenous structural models and testing of endogenous variables (generic/behavioral competency category, business competency category, and technical HR competency category) show the significance of P level ( $>0.05$ ), GFI ( $>0.90$ ) and fulfils the RMSEA criteria (less than 0.08). It shows the HR practitioners, and HR consultants have interactional effect with the constructs of the generic/behavioral competency category, the business competency category, the technical HR competency category. Similarly, the correlation among exogenous variables shows the values are less than 0.9. Confirmatory factor analysis was conducted among endogenous variables to confirm the construct of the three competency categories. The goodness of model fit among endogenous variables confirmed the significance of the model.

#### 4.3 SIGNIFICANT COMPETENCIES

The generic/behavioral and technical HR competency categories were significant in the structural model (Table 4.3.a & Table 4.3.b in Annexure). Modification was done through the elimination of the latent variables and latent constructs. The model (as given in Figure 4.2 in Annexure) was established with all the significant competency categories, competency domains, and the competency factors. This was confirmed and supported with the goodness of indexes (Table 4.2.1 in Annexure) of the structural model.

#### 4.5 HYPOTHESIS TESTING

With the exception of 'hypothesis 2', the other two hypothesized paths were found to have a positive relationship with the HR practitioner competency model. As  $P > .05$ , Hypothesis 2 was rejected. The Hypothesis 2 ( $P = 0.741$ ) was found as a non significant hypothesis path. It means that there is no significant influence of the business competency category on the HR Practitioner Competency Model in Malaysia. It shows that the business competency category is not found significant in this study. Table (4.5 in Annexure) given above sets out the details of hypotheses testing results. Table (4.2.1 in Annexure) also confirms the significant Hypothesis 1 ( $P = 0.003$ ) and Hypothesis 3 ( $P = 0.008$ ). Table (4.5 in Annexure), confirms low standard error loadings for all the relationships (std. error  $< 0.1$ ).

#### 4.6 DISCUSSION

Findings show, HR profession in Malaysia is progressive and changing towards development. This upward trend is somehow in parallel with the Western practices. At present, the West is emphasizing on three competency factors: 'organization development,' 'career planning,' and 'succession planning' those are also found to be significant in Malaysia. The competency, 'ability of thinking' is found significant that implies, HR professionals' thinking ability is proportionate to the challenges that are faced by the organizations (Hamid Abdullah, Mohamed Fauzi, & Juhary Ali, 2011). In the domain, 'employee relations and compliance' the competency factors 'discipline', 'occupational safety and health', and 'human performance improvement' are observed as significant competency factors. Discipline can be considered as a traditional and conservative function of human resource management. Notably, disciplinary practices were heavily emphasized in the employment legislation in Malaysia i.e., in the Employment Act, 1955, and the Industrial Relations Act, 1967. Possibly, due to legal obligation 'discipline' has been regarded as an important competency factor in this country. This factor unlike the other competency factors, such as 'organization development,' 'career planning,' and 'succession-planning' is more strategic oriented competency (Abdullah & Ilham Sentosa, 2011b). This result indicates that the HR profession in Malaysia is in line with the Western paradigm that still emphasizes on the 'positive discipline'. 'Occupational safety and health', was found significant; probably due to the mandatory legal compliance of its

requirement. This competency too, carries substantial importance in the West.

#### 4.7 HR PRACTITIONERS IN MALAYSIA ARE TO SOME EXTENT STRATEGIC BUSINESS PARTNERS (SBP)

'Business competencies' were overall found non-significant in this study. But, based on the value of covariance ( $\lambda$ ) (Table 4.7 in Annexure), six (6) competency factors of two competency domains namely, 'entrepreneurial and business acumen' and 'essential performance enablers' were considered as important. As given in the Table (4.7 in Annexure), three business competencies of the 'entrepreneurial and business acumen' domain: 1) entrepreneurial skills, 2) information and communication technology, and 3) knowledge management were found important since the value of covariance was greater than 0.5. Due to the same reason in the domain named 'essential performance enablers', three other competencies: 1) creativity, 2) problem solving, and 3) decision making were considered as important. Therefore, it can be concluded that the HR practitioners in Malaysia were to some extent playing the role of strategic business partner. Minimum practice of the business competencies and the conservative organizational structure probably the main causes for the HR professionals not being involved with the business decision-making process. In addition, the concept of strategic business partner is either in its infancy or not aggressively pursued by the HR practitioners in Malaysia.

#### 4.8 SIMILARITIES WITH THE PREVIOUS RESEARCH

To a certain extent, findings of this study are somewhat similar to one study that was carried out by Choi Sang in 2008. The study was however, confined to the manufacturing sector in the southern region of Malaysia. Alike this study, Choi Sang also identified the lack of business competencies in the practice of HR professionals and that was underscored as an obstacle in playing the roles of strategic business partner (Choi Sang, 2008).

#### 4.9 LIMITATIONS

The population of this study was confined to the HR practitioners and HR consultants who were working in the manufacturing and services sectors in Malaysia. Therefore, other economic sectors remained unexplored. The competency factors were determined based on the previous studies that were carried out in the Western landscape. In this case, some suitable competency factors could have been ignored in term of Malaysian setup.

### 5. CONCLUSION AND RECOMMENDATION

Understandably, HR practice in Malaysia has been bearing the legacy system that was left by the British colonialists. Therefore, HR practitioners are still acting like operational bodies. Though, institutionalization of HR practices in Malaysia was initiated by the West, but the ethnic, cultural, and religious values of this country have brought

diversity as well as given distinct characteristics to the HR management. Presumably, that could be the reasons why practitioners departed from developing business strategy and not playing the role of SBP. If the HR practitioners of Malaysia intend to adopt the current trend of HR practices of the developed nations and accept the challenges of globalization, they should pay attention towards 'business competency category' along with the 'generic/ behavioral category', and 'technical HR competency category'. Organizational setup needs to be restructured as well as the HR framework. Besides, competency factors are required to be redefined based on the responsibilities of the HR professionals. Appropriate training modules would be effective to enhance the necessary competency factors. In this case, key competencies, such as 'succession planning,' 'career planning,' 'ability to change,' 'human performance improvement' and 'organization development & business competencies' can be focused. These competencies explicitly can contribute in establishing talent management while ensuring viability and sustainability of the organization. Business strategy of organization is also changing due to the emerging market economy and globalization.

### 5.1 SUGGESTION FOR FUTURE RESEARCH

A similar study can be carried out on other economic sectors in Malaysia. Further studies can involve CEOs, directors, general managers, and line managers as the population. The methodology of this study can be replicated in other Asian nations to look into the comparative scenario between cultural diversities and HR competencies. Besides, qualitative approach can be employed for rigorous and in depth analysis that may generate insightful thoughts and ideas while providing core message of HRM realm and SBP.

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ANNEXURE

Appendix (1): Competency Category, Competency Domain and Competency Factor

Competency Category	Competency Domain	Competency Factor	
<i>Generic/ Behavioral Competency Category</i>	Leadership	<ul style="list-style-type: none"> <li>• Process management</li> <li>• Leadership</li> <li>• Team leadership</li> </ul>	<ul style="list-style-type: none"> <li>• Directiveness</li> <li>• Motivation and drive</li> </ul>
	Building work relationship <sup>1</sup>	<ul style="list-style-type: none"> <li>• Flexibility</li> <li>• Communication skills</li> <li>• Tolerance</li> <li>• Adaptability</li> <li>• Interpersonal skills</li> <li>• Cross-cultural sensitivity</li> </ul>	<ul style="list-style-type: none"> <li>• Results orientation</li> <li>• Team work</li> <li>• Resilience</li> <li>• Commitment</li> <li>• Relationship building</li> <li>• Changing composition of workforce</li> </ul>
	Personal credibility and attributes	<ul style="list-style-type: none"> <li>• Personal effectiveness</li> <li>• Loyalty</li> <li>• Strong initiative</li> <li>• Pro-activeness</li> </ul>	<ul style="list-style-type: none"> <li>• Persistency</li> <li>• Professional image</li> <li>• Pride at work</li> <li>• High integrity</li> </ul>
	Self-development	<ul style="list-style-type: none"> <li>• Ability to change</li> <li>• Analytical thinking</li> <li>• Information seeking</li> </ul>	<ul style="list-style-type: none"> <li>• Conceptual thinking</li> <li>• Continuous learning</li> </ul>
	Entrepreneurial and business acumen	<ul style="list-style-type: none"> <li>• Financial knowledge</li> <li>• Consulting skills</li> <li>• Accountability</li> <li>• Sales and marketing</li> <li>• Accounting knowledge</li> <li>• Information &amp; communication technology</li> <li>• Business process design</li> </ul>	<ul style="list-style-type: none"> <li>• Entrepreneurial skills</li> <li>• Responsibility</li> <li>• Project management</li> <li>• Knowledge management</li> <li>• Globalization awareness</li> <li>• Technology awareness</li> </ul>
	Strategic orientation	<ul style="list-style-type: none"> <li>• Strategic alignment</li> <li>• Strategic thinking</li> </ul>	<ul style="list-style-type: none"> <li>• Strategic planning</li> </ul>

<sup>1</sup> Due to rearrangement of all valid measured (observed) variables by using SEM, the domain 'building work relationship' does not appear to be semantically appropriate. The researcher is of opinion that a more suitable name for the said domain could be 'relationship building and process drivers'.



<b>Business Competency Category</b>	Customer orientation	<ul style="list-style-type: none"> <li>• Customer satisfaction</li> <li>• Consciousness toward quality</li> </ul>	<ul style="list-style-type: none"> <li>• Knowledge of products/services</li> <li>• Responsiveness</li> </ul>
	Essential performance enablers	<ul style="list-style-type: none"> <li>• Decision making</li> <li>• Problem solving skills</li> <li>• Professionalism and ethics</li> <li>• Facilitation skills</li> <li>• Presentation skills</li> <li>• Negotiation skills</li> <li>• Persuasion skills</li> <li>• Creativity</li> </ul>	<ul style="list-style-type: none"> <li>• Management skills</li> <li>• Handling conflict</li> <li>• Managing resources</li> <li>• Command of English language</li> <li>• Writing skills</li> <li>• Influencing skills</li> <li>• Innovation</li> </ul>
<b>Technical HR Competency Category</b>	Resourcing and talent management	<ul style="list-style-type: none"> <li>• Recruitment and selection</li> <li>• HR planning &amp; acquisition</li> <li>• Policy formulation</li> <li>• Organizational development</li> </ul>	<ul style="list-style-type: none"> <li>• Talent management system</li> <li>• Talent retention</li> <li>• HR strategy</li> <li>• Human resource information system</li> </ul>
	Learning and development	<ul style="list-style-type: none"> <li>• Human resource development</li> <li>• Career planning</li> </ul>	<ul style="list-style-type: none"> <li>• Succession planning</li> </ul>
	Rewards and performance management	<ul style="list-style-type: none"> <li>• Salary and payroll administration</li> <li>• Rewards management</li> <li>• HR performance measurement</li> <li>• Human performance technology</li> </ul>	<ul style="list-style-type: none"> <li>• Compensation and benefits</li> <li>• Performance management and development</li> <li>• Human performance improvement</li> </ul>
	Employee relations and compliance	<ul style="list-style-type: none"> <li>• Employee relations</li> <li>• Staff welfare</li> <li>• Termination and separation</li> <li>• Security management</li> </ul>	<ul style="list-style-type: none"> <li>• Discipline</li> <li>• Employment laws and legislation</li> <li>• Occupational safety and health</li> </ul>

Figure 2.2.1. American Society for Training and Development/Department of Labour Model of 'Generic' Competencies (ASTD/DOL, 1988)

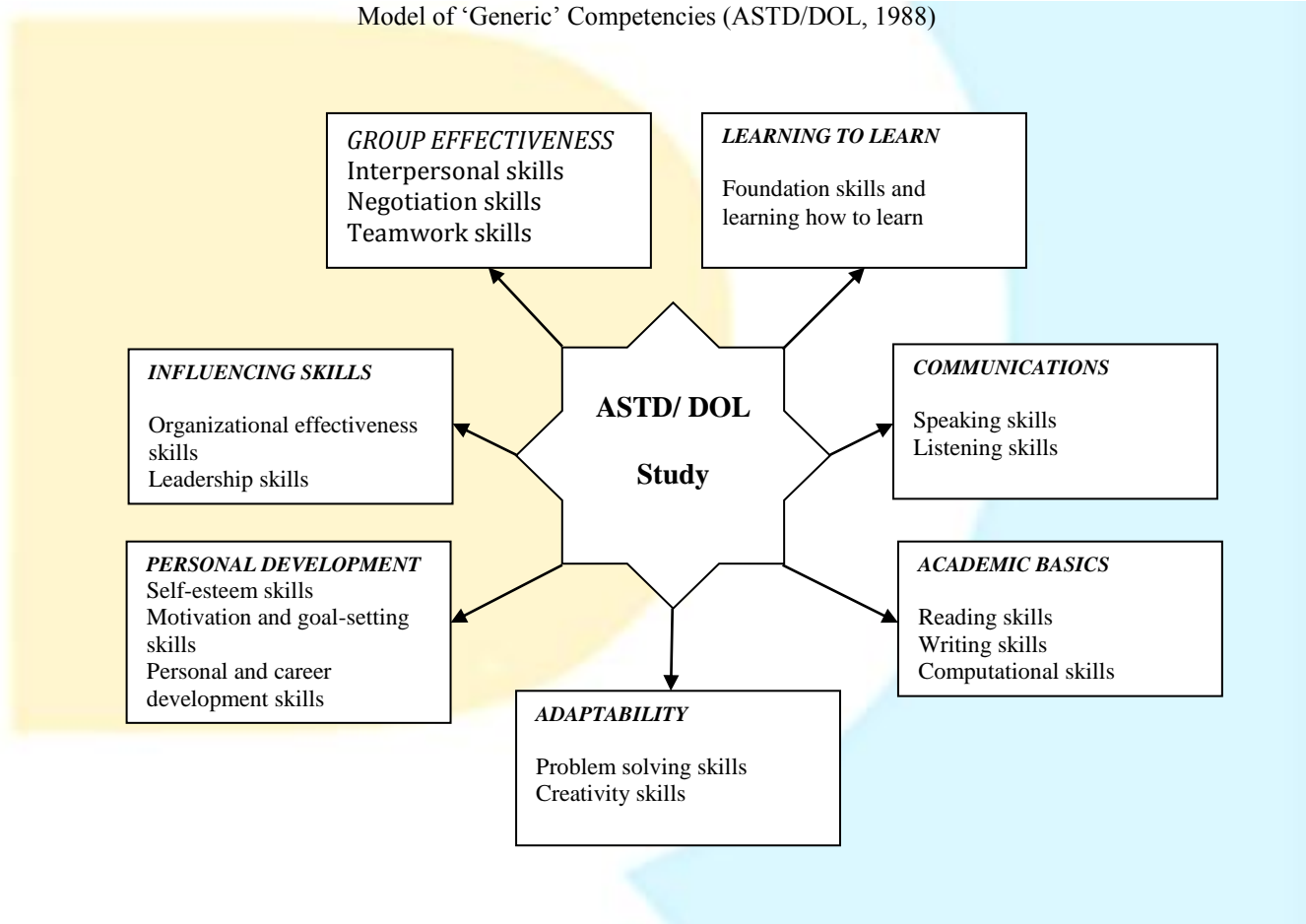
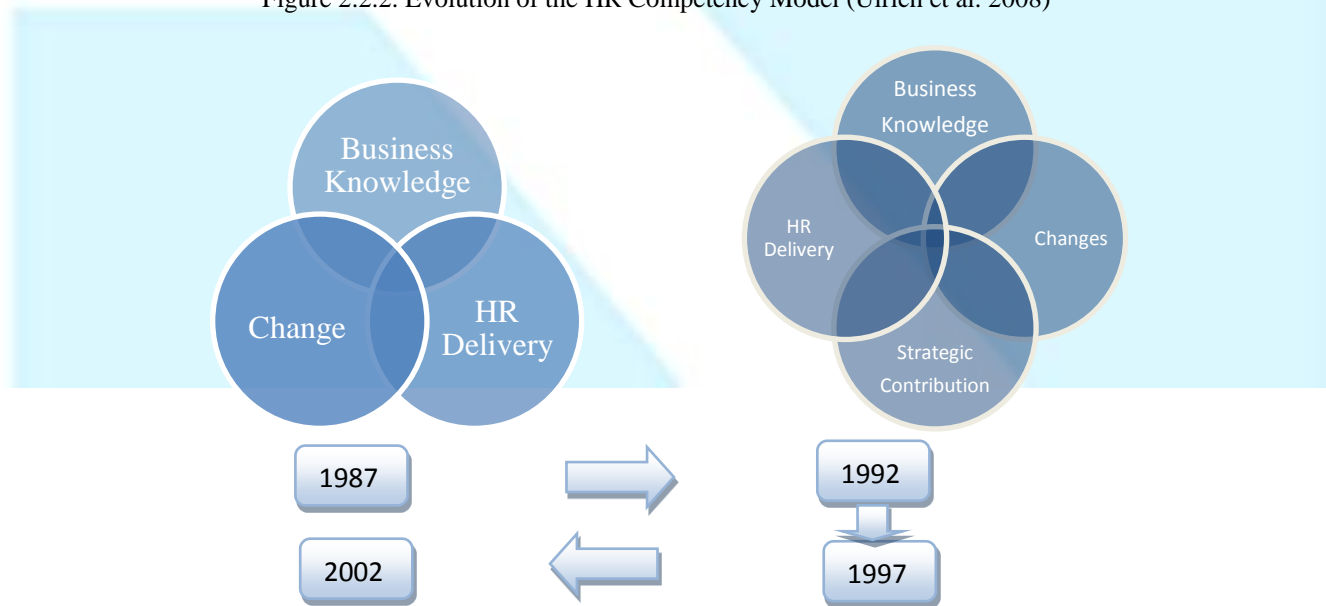


Figure 2.2.2. Evolution of the HR Competency Model (Ulrich et al. 2008)



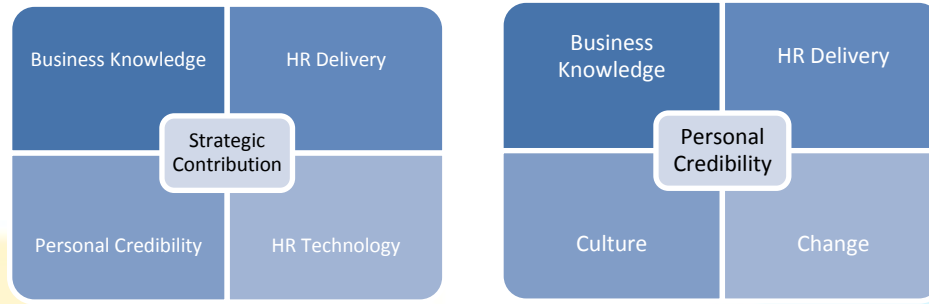


Figure 2.2.3: Model with Six Competency Areas (Ulrich et al. 2008)

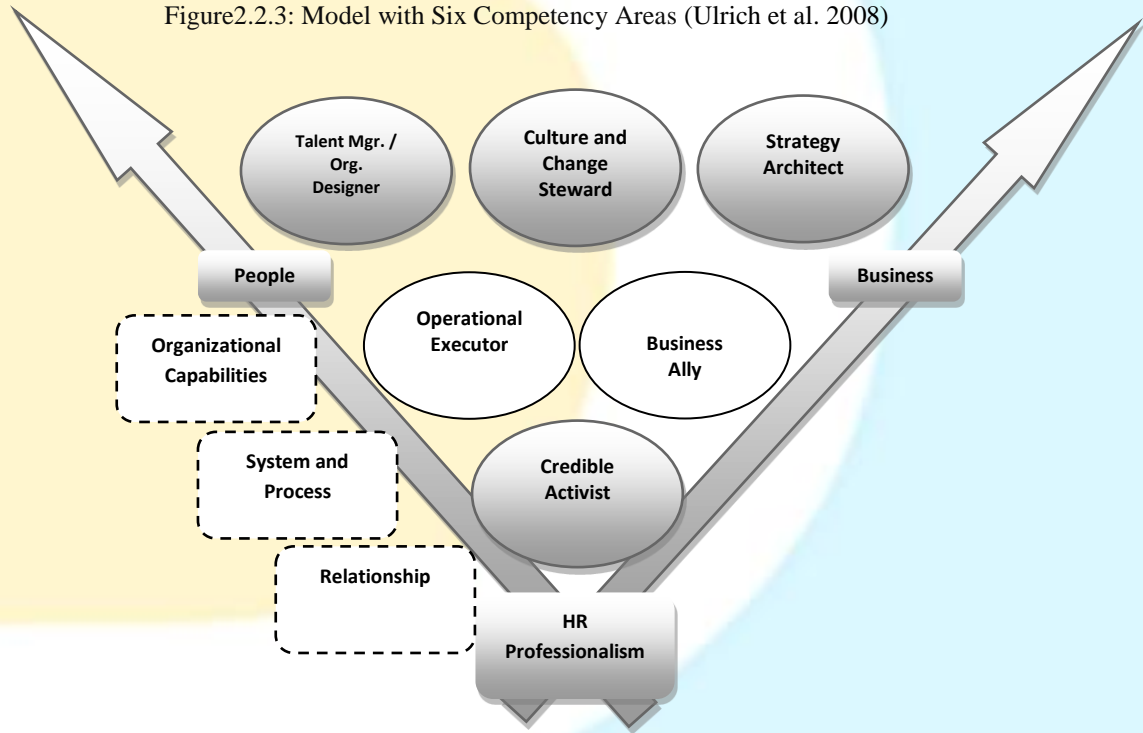


Figure 2.2.4. 2012 HR Competency Model (Ulrich et.al. 2012)



Figure 2.2.5. South African HR Competency Model (Meyer, 2012)

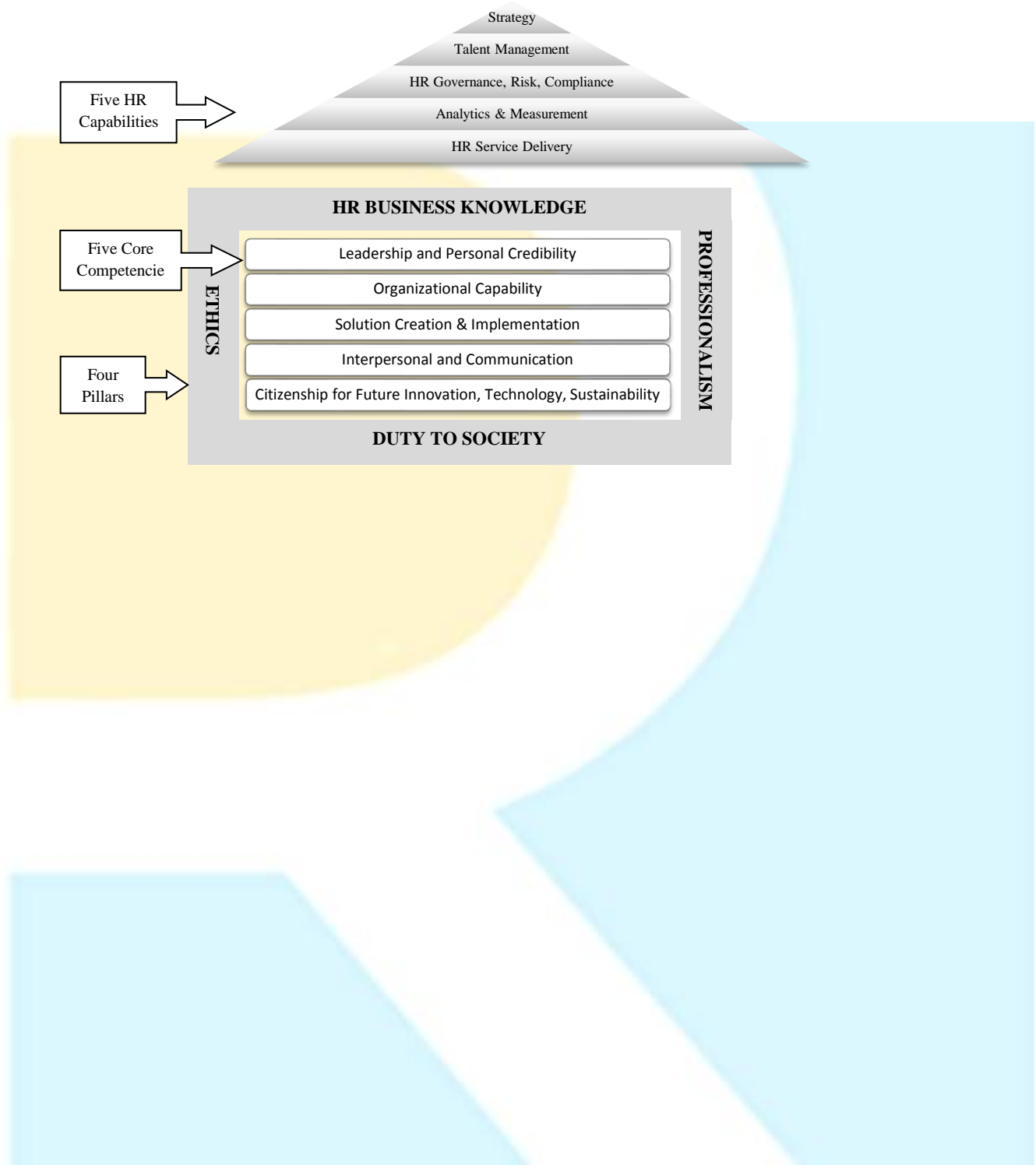


Figure 4.2. Generated HR Practitioner Competency Model

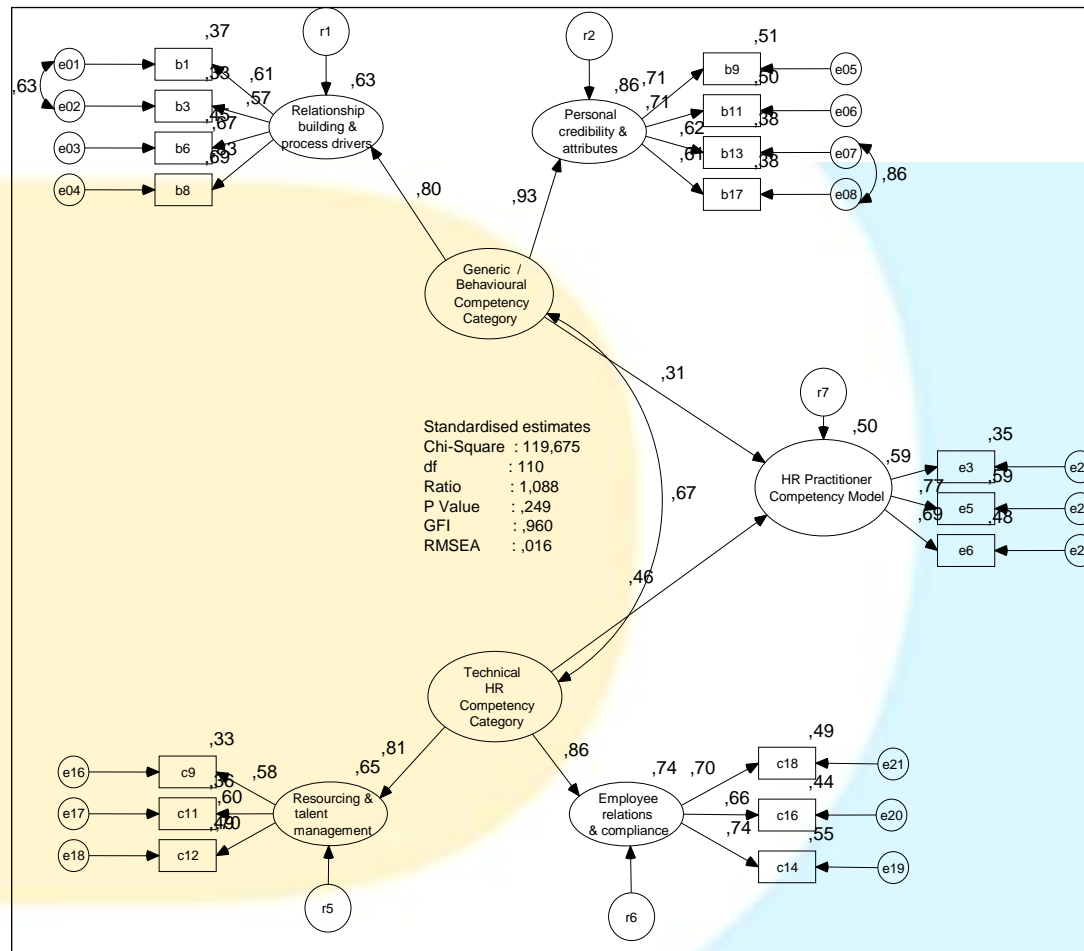


Table 4.2.1. Summary of the Goodness of Fit to the Structural Model

Model Fit Indicator	Generic/ Behavioral Competencies	Business Competencies	Technical HR Competencies
$\chi^2$	21.891	9.963	9.062
df	12	7	8
CMIN/df	1.228	1.385	1.133
P	0.189	0.207	0.337
GFI	0.984	0.991	0.991
RMSEA	0.029	0.034	0.020

Table 4.3 (a). Generic/behavioral Competency Category

Competency Category	Competency Domain	Competency Factor	Estimate	SE	CR	P
Generic/behavioral competency category	Relationship building and process drivers	Process management	1.057	.076	13.9	***
		Flexibility	1.000	nil	nil	nil
		Information seeking	1.213	.138	8.78	***
		Strong initiative	1.584	.167	9.508	***
	Personal credibility and attributes'	Pride at work	1.000	nil	nil	nil
		Pro-activeness	.987	.095	10.421	***
		Ability to change	.910	.097	9.380	***
		Leadership	.961	.103	9.355	***

Table 4.3 (b). Technical HR Competency Category

Competency Category	Competency Domain	Competency Factor	Estimate	SE	CR	P
Technical HR competency category	Resourcing and talent management	Organization development	.901	.111	8.105	***
		Career planning	.913	.110	8.329	***
		Succession planning	1.000	nil	nil	nil
	Employee relations and compliance	Human Performance Improvement	1.013	.098	10.306	***
		Discipline	1.000	nil	nil	nil
		Occupational Safety	.970	.093	10.475	***

Figure 4.4. HR Practitioner Model with the Significant Competencies (Copyright © 2010. Hamid Abdullah)



Table 4.5. Summary of the Hypothesis Testing

H	Endogenous	Exogenous	Estimate	Std. Error	Critical Ratio	P	Description
H. 1	HR Practitioner Competency Model	Generic/ Behavioral Competency Category	0.152	0.052	2.936	.003	Asserted
H. 2	HR Practitioner Competency Model	Business Competency Category	0.021	0.063	0.330	.741	Rejected
H. 3	HR Practitioner Competency Model	Technical HR Competency Category	0.194	0.073	2.643	.008	Asserted

Table 4.7. Important Business Competencies

Competency Category	Competency Domain	Competency Factor	Cov. ( $\lambda$ )
<i>Business Competency Category</i>	Entrepreneurial and business acumen	Information & communication technology	0.740
		Entrepreneurial skills	0.627
		Knowledge management	0.567
	Essential performance enablers	Decision making	0.602
		Problem solving skills	0.646
		Creativity	0.671

Note: Only the values of  $\lambda \geq 0.5$  (the standardized regression weights) were accepted in this study (Bagozzi & Yi, 1989)