Framework for methodical review of literature on leadership competencies

Sateesh V. Shet, S.V. Patil and Meena R. Chandawarkar

Cogent Business & Management (2017), 4: 1309123
Framework for methodical review of literature on leadership competencies

Sateesh V. Shet¹*, S.V. Patil² and Meena R. Chandawarkar³

Abstract: The purpose of this paper is to examine and discuss scholarly literature on leadership competencies (LCs) through a multi-dimensional framework. This research adopts qualitative research method using scholarly literature. An attempt is made to combine the outcomes of these literatures into a more integrative framework of competency studies, offering a suggestion for further research. The findings reveal that the literature on LCs can be categorised using structured framework for better understanding. The literature has been categorised in different perspectives—Leadership levels, Function specific, Job specific, Geography specific, Generic Competency Specific. This framework provides the basis for future research to test the efficacy of framework. The framework provided in this paper incorporates main findings of previous research and as such it may serve as a starting point of practitioners in planning of different extended research in each of the dimensions identified.

Subjects: Leadership; Human Resource Management; Human Resource Development

Keywords: competencies; competency model; leadership competencies

Article classification: Literature Review

ABOUT THE AUTHOR

Sateesh V. Shet is a Human Resource Management practitioner based in Mumbai, India. He is a certified competency assessor and experiential trainer. He has worked in the areas of employee engagement, capability building and organisational effectiveness. His research interests are Competency Management and Organisational Development.

PUBLIC INTEREST STATEMENT

McClelland (1973) proposed the idea of competency to challenge traditional criteria of assessment as an evaluation in the higher education system. His idea led to many subsequent studies in other fields such as Education, Business Management and Human Resource Management (Spencer & Spencer, 1993). Leadership competency is one of the contemporary topics in the human resources domain. There have been many works on leadership competencies (LCs) across the world and the differences in their findings are noteworthy. However, there is no framework available to organise the literature on LC, the present work attempts to fill this gap through qualitative research method using scholarly literature. The findings reveal that the literature on LC’s can be categorised using structured framework for better understanding. The framework provided in this paper incorporates main findings of previous research and as such serves as a starting point for practitioners in planning different extended research in future using LCs.
1. Introduction
Over the past decade, many researchers have contributed to the literature on leadership competencies (LCs) with most of them highlighting the advantages of adopting competencies as a management philosophy in organisational and individual contexts. Some works (e.g. Dalton, 1997) have doubted the role of LCs in enhancing business performance over a period of time. Nevertheless, companies continue to implement LCs and researchers continue to study them. However, there is no framework to organise the literature on LCs. While several studies have identified various factors and dimensions of LCs, there is no clear direction in developing an integrated approach for future research. This research attempts to fill this gap. The research objectives are:

- Examine and list the factors/dimensions of LCs from extant literature
- Develop a review framework for works on LCs, with the aim of highlighting the direction of future research.

2. Research methodology
Following are the steps followed:

2.1. Literature survey and review
Research literature surveyed using key words like Leadership, Competency, and Competency Model from journals of repute and similar sources. The structured database of those papers along with the reflections was prepared. Based on the reflections, some papers were selected which were contributing closely to LCs and reviewed.

2.2. Organise knowledge
The reviewed knowledge was organised using certain criteria. For example definition of competency has been organised on the basis of year in ascending order.

2.3. Develop framework
With the help of organised knowledge an attempt has been made to develop a framework for better picture of LCs.

In the 1970s, McClelland (1973) presented the notion of competency to challenge conventional intelligence evaluation criteria in higher education systems. He revealed that there are a number of factors—including personal attributes, motives, experience, and other characteristics—that distinguish excellent performers from the average ones. McClelland thus laid the conceptual basis that fostered several further researches on competencies in varied fields such as vocational/teacher education, human resource management, and business (Spencer & Spencer, 1993). A competency can be referred to as the ability to apply/use knowledge, behaviours, personal attributes, capabilities, and skills for crucial tasks or functions while working in a specified role/position. It is treated as a mediator between the job’s needs and the individual’s capacity. However, there exists ambiguity in how “competency” is defined. As per Hoffmann (1999), the definition varies with competency utilisation and user requirements. Accordingly, competencies have been defined from various perspectives in the literature (Table 1).
Table 1. Definitions on competency/competencies

<table>
<thead>
<tr>
<th>Author/Year</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Boyatzis (1982)</td>
<td>As an essential characteristic of a person in that it may be a motive, trait, skill, aspect of one's self-image or social role, or body of knowledge which he or she uses</td>
</tr>
<tr>
<td>Spencer and Spencer (1993)</td>
<td>An underlying characteristic of an individual that is causally related to criterion-referenced effective and/or superior performance in a job or situation</td>
</tr>
<tr>
<td>Dubois (1993)</td>
<td>A competency is the capability of applying or using knowledge, skills, abilities, behaviours, and personal characteristics to successfully perform critical work tasks, specific functions, or operate in a given role or position</td>
</tr>
<tr>
<td>Quinn, Faerman, Thompson, and McGrath (1996)</td>
<td>Competency that recognizes the importance of skills, knowledge and personal characteristics and the linkages between possessing these competencies and performing certain tasks or roles</td>
</tr>
<tr>
<td>Wynne and Stringer (1997)</td>
<td>As the things people have to be, know and do, to achieve the outputs required in their job</td>
</tr>
<tr>
<td>Tas (1988)</td>
<td>Competence as performance of duties based on one's ability to accomplish specific job related tasks and assume the role connected to the position</td>
</tr>
<tr>
<td>Lucia and Lepsinger (1999)</td>
<td>Competencies, or individual characteristics, were recognized as significant predictors of employee performance and success, equally as important as an individual's academic aptitude and knowledge content as indicated by tests scores or results</td>
</tr>
<tr>
<td>Hoffmann (1999)</td>
<td>Summarized three key points in defining a competency: (a) underlying qualification and attributes of a person, (b) observable behaviours, and (c) standard of individual performance outcomes</td>
</tr>
<tr>
<td>van der Klink and Boon (2002)</td>
<td>Defined competencies in terms of three distinct perspectives: competencies as individual characteristics; competencies as characteristics of organisations; and the notion of competencies as a tool to structure and facilitate communication between education and the labour market</td>
</tr>
<tr>
<td>Bartram (2005)</td>
<td>As sets of behaviours that are instrumental in the delivery of desired results or outcomes</td>
</tr>
</tbody>
</table>

3. Different studies on competencies

Garavan and McGuire (2001) advocated that research on competencies should be undertaken within an environment that allows for studying employees as complete individuals. Woodruffe (1993) concluded that competencies can be applied for effectiveness at workplaces and found nine important competencies for managers. In the late 1970s, the American Management Association commissioned a consultancy firm, McBer & Company (now a part of Hay Group), to study competencies. McBer & Company identified the characteristics that differentiate superior managers from average ones, and referred to these as competencies (Moore, Cheng, & Dainty, 2002). Mansfield (1996) analysed three sources of data that host competency frameworks: focus groups or resource panels with subject matter experts (SMEs), generic competency dictionaries, and interviews over a critical event with superior performers. Goleman (1999) highlighted the role of emotional competence.

Burgoyne (1993) viewed competencies from a functional perspective in that how organisational goals can be attained by improving the performance of members in the best possible manner. Spencer and Spencer (1993) developed the job-competence assessment method that compelled organisations to change their emphasis from conventional job descriptions to developing a competency model by appraising the main individual characteristics associated with average-to-excellent job performance. Abraham, Karns, Shaw, and Mena (2001) surveyed US firms on the basis of competencies they considered useful for successful managers and evaluated whether firms used those competencies in assessing their managers.
Boyatzis (1982) designed his managerial competency model by studying over 2,000 managers and found more than 100 potential managerial competencies. Hollenbeck, McCall, and Silzer (2006) stated that the competency model cannot be considered a prescription for successful leadership, but an effort to capture leaders’ experience, learnings, and knowledge. Brophy and Kiely (2002) mentioned that McClelland was instructed by the US Foreign Service to investigate new methods of research that can forecast human performance and lessen the bias of traditional intelligence and aptitude testing, and this led to the concept of measuring competencies. It was contended by Brophy and Kiely (2002) that when a competency-based approach is used, emphasis is placed on behaviours imperative for job performance. It was asserted by Albanese (1989) that a single set of competencies cannot completely capture all aspects of a managerial role.

Dubois (1993) proposed a five-step strategic systems model for competency modelling, covering aspects such as requirements analysis, competency-based education planning, framework establishment based activities, creation of a competency-based prospectus plan where learning occurs in a systematic manner, planning and creation of a competency-based learning environment, and appraisal activities on the basis of two models (context, input, process and product model or Kirkpatrick model). Zingheim, Ledford, and Schuster (1996) connected competencies and competency-frames with competency-based remuneration. Le Deist and Winterton (2005) outlined that competency frameworks are also being applied in other fields of HRM for aligning organisational goals and workers’ talents. Spencer and Spencer (1993) presented the “Iceberg Model” that divided fundamental characteristics and resultant behaviours and performance in a job profile into five categories: skills, knowledge, motives, traits, and self-image. Shippmann et al. (2000) recommended that given work profiles and organisational conditions, a set of seven to nine competencies are generally needed for a specific job. Lucia and Lepsinger (1999) postulated competencies as a detailed tool to identify knowledge, skills, and abilities (KSAs) and behaviours required to be effective within an organisation.

4. Competency studies in an organisation-specific context

Pernick (2001) suggested that competencies can be identified from an organisation’s mission and values. Woodruffe (1993) analysed the assessment-centre trend that emphasised organisation-specific groups of competencies to define failure and success. McCall (1998) focused on the relationship between competencies and corporate strategy.

Mansfield (1996) stated that a competency model can be defined as a descriptive and behavioural instrument to determine the skills and characteristics that employees require to be effective in a job. Fogg (1999) described it is as a detailed instrument that can help one identify the competencies required to work in a particular job position/profession/firm/etc. According to Antonacopoulou and FitzGerald (1996), competencies are crucial as organisations continuously strive to groom successful and effective leaders, employees, and managers. According to Dubois (1993), certain competencies are needed for a job, and some can be possessed by both average and excellent employees, but the latter also possess additional competencies. Competency approaches are being utilised to organise the requirements of business and directional strategies, share organisational mission and values, and compensate those employees who learn and adopt organisational competencies (Fogg, 1999; Lucia & Lepsinger, 1999; Zingheim et al., 1996).

AlMazrouei and Zacca (2015) studied LC of expatriate managers in UAE to assess if the competencies were different from those required in their native country. Mühlbacher, Kovač, Novotny, and Putnová (2013) identified and studied linkages between the macroeconomic scenarios of three nations (Slovenia, Czech Republic, Hungary) and the competencies of managers in these countries. Rappe and Zwick (2007) assessed the leadership role of first-line managers in production depart-
ments and showed the existence of competence gaps. Mitchelmore and Rowley (2010) defined new competencies, with particular focus on managerial and entrepreneurial competencies. Dreyfus (2008) studied competencies that predict effective performance in R&D managers, and investigated their professional and personal lives to understand how they furthered these competencies. Beinecke and Spencer (2007) analysed the requirement of LCs in the healthcare sector in the US public administration. Dai, Yiyi Tang, and De Meuse (2011) experimented with the leadership pipeline model using a 360-degree feedback tool that measured the 67 competencies ideated by Lombardo and Eichinger (1997), which encompass all managerial performance parameters.

Qiao and Wang (2009) looked for competencies crucial for middle managers in China, and found team building, co-ordination, execution, continuous learning, and communication to be important. Forster, Parrer, and Wöss (2013) assessed managerial competencies in Australian organizations, particularly focusing on start-ups, and found that personal competencies such as self-confidence and ambition are deemed more crucial in start-ups. Wang and Chen (2002) studied the competencies of managers in China, using a selection and measurement model. A strategic hierarchical job analysis was used for designing a managerial competency model to identify skills essential for middle managers.

5. Levels in competencies
Boyatzis (1982) and Le Deist and Winterton (2005) maintained that competencies are context specific: some competencies are more crucial and necessary than others for a given job position. Accordingly, there are varied levels of skills or ability for any choice of behavioural descriptors involved in a competency framework. By adopting this model, Benner (1982) explained some performance levels (unskilled or not pertinent, novice, learner, capable, proficient, and expert). According to Dreyfus and Dreyfus (1980), there are various levels of competence—novice, knowledgeable practitioner, expert, virtuoso, experienced beginner, practitioner, and maestro. The US Personnel Management Department used the multipurpose occupational systems analysis inventory-closed-ended (MOSAIC) approach to establish some criteria for the five stages of mastery they defined (Rodriguez, Patel, Bright, Gregory, & Gowing, 2002) (Table 2).

### Table 2. Classification/categorisation of competencies

<table>
<thead>
<tr>
<th>Author/Year</th>
<th>Classification and categorisation of competencies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spencer and Spencer (1993)</td>
<td>Threshold competencies and differentiating competencies</td>
</tr>
<tr>
<td>Kuijpers, Schyns, and Scheerens (2006)</td>
<td>Functional, Learning and career competencies</td>
</tr>
<tr>
<td>Abraham et al. (2001)</td>
<td>Problem skills, result focused, leadership, customer oriented, flexible, team worker, quality oriented, dependable, communication and interpersonal skills</td>
</tr>
<tr>
<td>Rothwell (2002)</td>
<td>Foundational and intermediate competencies</td>
</tr>
<tr>
<td>Jacobs (1989)</td>
<td>Hard and soft competencies</td>
</tr>
<tr>
<td>Prahlad and Hamel (1990)</td>
<td>Core competencies</td>
</tr>
<tr>
<td>Thomas and Sireno (1980)</td>
<td>Control, leadership and communication competencies</td>
</tr>
<tr>
<td>Raven and Stephenson (2001)</td>
<td>Meaning, relation, learning and change competence</td>
</tr>
<tr>
<td>Hunt and Wallace (1997)</td>
<td>Leadership, strategic management, administrative, Problem solving, decision-making, networking and political skills</td>
</tr>
<tr>
<td>Boyatzis (1982)</td>
<td>Leadership, HRM and goal and action management</td>
</tr>
<tr>
<td>Le Deist and Winterton (2005)</td>
<td>Functional competencies with underpinning behavioural competencies</td>
</tr>
</tbody>
</table>
6. Competencies from human resources perspective

Shippmann et al. (2000) and Heinsman, de Hoogh, Koopman, and van Muijen (2008) considered competency management to be a significant HR tool used by organisations to direct HR practices such as selection, performance appraisal, career management, staff development. Lawler (1994), organisations using competencies primarily focus on individual capabilities, and this helps them manage these competencies better. In this manner, competencies allow an organisation to match its HR department against its future personnel needs. Competency models are used for diverse reasons within HRM, such as employee development, employee selection, career development, succession planning, and performance management (Shippmann et al., 2000). Thus, competency management contributes significantly since it ensures linkages between individual competencies and organisational strategies (Draganidis & Mentzas, 2006).

Reyes Liske and Holladay (2016) linked LC to coaching and evaluated pre and post coaching assessment on competency ratings. Intagliata, Ulrich, and Smallwood (2000) pointed out how organisational LCs and competency frameworks can yield a leadership brand. McClelland (1998) advocated the utilisation of competency models for developing behaviourally based interview criteria and assessment tools. The same can also prepare employees for role changes via development plans, training, and feedback obtained through a performance review system based on competency frameworks (Gangani, McLean, & Braden, 2008; Lucia & Lepsinger, 1999; Rodriguez et al., 2002).

Employee participation in competency-framework development can aid in both raising awareness and acceptance. By creating competency frameworks that represent the organisation, organisations can expect an improvement in performance and effectiveness (Lucia & Lepsinger, 1999; Montier, Alai, & Kramer, 2006). Whetzel, Steighner, and Patsfall (1998) emphasised establishing a competency model in the US postal service to define the competencies required for effective performance. Agut, Grau, and Peiró (2003) found that technical and generic managerial competencies are required in restaurants and hotels in Spain. Rowe (1995) clarified the utilisation of competence and competency frameworks in the recruitment, assessment, and development of staff.


Boyatzis (1982) mentioned that competencies related to individual, work and organisational environment, and job demands are all considered while creating competency based training models to generate specific results or output with respect to their products, performance, business processes and procedures. Sypniewska (2013) evaluated individual competencies that distinguished direct sales results in Poland.

Alldredge and Nilan (2000) presented a 3M leadership competency model by creating it intrinsically using focus-group discussions, where competencies of three types—fundamental, essential and visionary—are applied to assess leadership ability, develop talent and recruit/select leaders. Chouhan and Srivastava (2014) investigated leadership frameworks in Indian retail and automobile organisations, and found that the former used LCs for performance management while the latter used them to identify high-potential employees. Gentry and Leslie (2007) surveyed 24,000 employees across 101 companies in 30 sectors; they found risk-taking ability, employee leadership, optimal talent allocation, communication, mentoring, change management, decision-making, listening, innovation and power to be among the main LCs. Norzailan, Othman, and Ishizaki (2016) discussed the nature of strategic LC and techniques to develop them.

7. Conclusions and limitations

The aim of this paper was to review the literature on competencies and build an integrative framework for practitioners to extend competency research in the future.

While earlier studies focused simply on the identification of competencies, recent works have focused on their real-life application. The current study on literature concludes with the model development on different dimension of competency studies such as—organisation, industry, job, levels in leadership hierarchy, function, Human Resource Practices applications, specific generic competency-related and geography-specific competency studies which is the main prevailing trend in extant research.

Despite various studies across different geographies, few empirical studies exist that test the validity and reliability of these measures. Most studies focused on the current practices on competencies from organisational perspectives. Further, most works were in silos with no dependent/mediating variables, and researchers have rarely used longitudinal approaches to eliminate specific effects (Figure 1).

The application of competencies has moved to industries with literature support from Automotive, Pharmaceutical, Retail, IT, Technology, Hotel, Healthcare etc. The studies can be extended to any industry using Competency Model. The specific generic competency studies such as—communication, Leadership, team building or change management competency are found in literature which may be termed as “core competency” of the organisation, hence enormous focus is given on the development of such competencies both from Individual and Organisation Management. The job-specific trade competency studies include—R&D Manager, Project Manager, Sales Managers, Club Manager Competencies etc. are explored in literature. The critical roles in the organisation drive the business performance. Organisation driven by research focuses that its R&D personnel are competent hence a competency requirement of such personnel becomes important. Competency studies having applications in Human Resource practices such as Selection, Training, Performance Management, Assessment Centre, Succession Planning, Leadership Development and Compensation Management are noticed in literature. Organisations may use Competency Model for specific HR intervention as the need arises. The studies are also from different geographies such as China, Taiwan, Austria, Slovenia, India, USA and UK. A multinational organisation implements the competency models in all the countries where it is operates. Competency studies are noticed in leadership hierarchy levels from top management, entry level and managerial competencies in organisations. There are numerous competency models proposed each with its own merits. While most organisations prefer to have its own competency models, the studies shows the models of Lombardo & Eichenger are also in practice with specific use and applications.
Figure 1. Framework on literature on competencies.

8. Implications
The outcome of this research as a framework for literature highlights the current journey of LCM. This framework is useful to practitioners and academicians for their research on LC. An extensive search of previous research on LCM from reputed journals led to create a framework for literature on LCs. The study took all dimensions of the LCM from geography perspective, Levels in Management, Type of Competencies, Type of Role, Profession/Trade, etc. This methodical framework will help to know the research gaps in this domain and assist in formulating research questions. This framework contributes to accelerate the academicians and practitioners anchoring towards the desired direction in their research from each perspective in any country, profession, and role or on organisations.

This framework helps managers to create awareness regarding managerial intervention in using competency-based HR practices. This study promotes LCM to be applied in Succession Planning, Better Selection, Employee Development, Leadership Development, Assessment/Development Centre, Core Competencies or other people practices. Managers can check what aspects of LCM are influencing HR practices in their organisations and accordingly change the strategies.

Further, a noteworthy limitation of the current review is that only journals in the fields of HR, organisational development and management have been considered while limiting other subject journals. In addition, only top peer-reviewed papers and critically acclaimed books were considered, the study was limited to English.
A qualitative study like this can be extended to each of the dimension to understand how the body of knowledge is extending to each of the dimension in depth. Studies can be made on countrywide adoption of LCM or comparative studies in different countries. The future studies can also be in the form of effectiveness of LCM in organisations. A longitudinal study or studies with mediation or moderation effect on LCM can be considered in future. An in-depth assessment of influence of LCM in people practices in different facets can be made with case studies. Comparative studies in specific industry or in different levels of management are influenced by LCM. Which specific competency is more influencing the Role holders, individuals or organisations can be studied in depth with empirical methods.

To conclude, this framework for methodical review for literature on LC’s will enable all stakeholders—researchers, academicians, consultants and industry practitioners to develop an overall understanding of extant research and decide on the direction of future research.

Funding
The authors received no direct funding for this research.

Author details
Sateesh V. Shet1
E-mail: svshet@hotmail.com
ORCID ID: http://orcid.org/0000-0001-7312-7764
S.V. Patil2
E-mail: svpatil@bvbu.edu
Meena R. Chandawarkar3
E-mail: meena_r_c@yahoo.com

1 Visvesvaraya Technological University, Belgaum, India.
2 School of Management Studies & Research, KLE Technological University, Hubli, India.
3 Karnataka State Women’s University, India.

Citation information
Cite this article as: Framework for methodical review of literature on leadership competencies, Sateesh V. Shet, S.V. Patil & Meena R. Chandawarkar, Cogent Business & Management (2017), 4: 1309123.

Cover image
Source: Shutterstock from User ID:112446244.

References


Lee, J. E., H., & Park, J. G. (2013). Exploring the impact of leadership competencies on team social capital and performance in IT service team. 46th Hawaii International Conference on System Sciences, Wailea, HI. http://dx.doi.org/10.1109/HICSS.2013.224


© 2017 The Author(s). This open access article is distributed under a Creative Commons Attribution (CC-BY) 4.0 license.