ALIGNING INT@J OPERATIONAL & HR ACTIVITIES WITH THE STRATEGIC DIRECTIONS

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DELIVERABLE NUMBER: 6.8.5.A.2.11.2 ALIGN INTAJ OPERATIONAL ACTIVITIES AND HR POLICIES WITH THE STRATEGIC DIRECTIONS SET IN ITS STRATEGIC PLAN.

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1. EXECUTIVE SUMMARY

int@j (Information Technology Association of Jordan) is an ICT industry-support association that embraces Jordan's ICT businesses, with a mission to promote their advancement on a local and international level, and enhance their capacity and performance. This goes in parallel with improving the dynamics of Jordan's ICT market and catalyzing all Jordan's ICT related activities. On top of that, int@j largely contributes to influencing ICT policies and strategies.

The aim of this assignment is to fulfill the need to revise the association’s operational activities within the board, executive staff, and committees, and revise the association’s institutional structure and HR policies and align them with the strategic goals set in the strategic plan to enable int@j to achieve these goals and assume its key role in the ICT sector in an effective and efficient way.

The aim of this assignment is translated into an integrated quality management system stemming from and congruent with the association strategy plan that covers all the current functions available at the association in addition to potential functions to be developed in line with its future strategic plans. This integrated management system encompasses a set of policies, processes, major duties and responsibilities, terminologies, key performance indicators and templates required for planning and execution in the core business areas of the association. It integrates the various internal processes within the organization and aims to provide a process-based approach for project execution. It also enables the association to identify, measure, control and improve the various core business processes that will ultimately lead to improved business performance.

With reference to the newly developed organizational structure and operational processes, a training needs assessment has been conducted for all the current employees and training needs are incorporated as a separate section in the Major Duties and Responsibilities for every function.

In order to enhance int@j incentive schemes, six pay systems were analyzed to select the optimum system that would fit int@j culture and current situation, and as a result a pay system that would combine both “Appraisal/performance related pay” and “Competency and skills based pay” is recommended; actions to be conducted were also suggested.

The management system was developed through several meetings with all function heads and the review of limited available documents and procedures, found only in the HR and Accounting functions. The final version of the system attached as a CD-Rom was fully reviewed through one-on-one meetings and all approvals are obtained from direct function heads, program management office and CEO.
2. Integrated Management System

2.1 int@j Integrated Management System (IIMS)

As shown in Figure 1, this integrated management system covers the following functions:

- HR & Administration
- PR & Communication
- Business Development
- Research and Analysis Services
- Program Management Office
- Financial Management
- Legal Management
- Quality Assurance
- Information Technology
### 2.2 Operational Procedures

Reviewing all available documents, procedures and by-laws, all policies and procedures were developed as cross functional process maps fully hyperlinked with the templates and presentations used in every process, and/or linked to other processes under the same function, other functions, or even links to URL.

The cross functional process maps show how the association’s major work processes cut across several functions. This type of map reveals the details behind the grey-shadowed boxes of the association’s functions (as shown in Figure 1 above) and shows the sequence of steps that make up the work process, as well as the inputs and outputs associated with it. In some cases, the maps are more than four levels deep and they guide the employee to the level of details required. An example of such is shown for the Human Resources Processes in Figure 2 below.

In this example, the map shows the high-level cycle of the HR function which starts with seeking to recruit for vacant positions, then to employ new hires and train them on the job, then continues to evaluate employees’ performance and manage their leaves, and closes the process cycle with either resignation or termination. In addition to the cycle, there are other minor processes and supporting documents that are not part of the cycle; examples of such are the Employee handbook, association by-laws, organizational structure and travel policies.

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**Human Resources Processes**

- **Recruitment**
  - Termination
  - Resignation
  - Leaves
  - Performance Appraisal

- **Employment**
  - Training

- **Employee Handbook**
  - Arabic
  - English
  - By Laws

- **Organizational Structure**

- **Travel Policy**

- **Violations**

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**Figure 2**
2.3 Organizational Structure and Detailed Job Descriptions

Effectively developed, employee job descriptions or major duties and responsibilities are communication tools that are significant for the association’s success. Poorly written job descriptions, on the other hand, add to workplace confusion, cut communication, and make employees uncertain of what is expected from them.

In alignment with int@j strategic and business plan and the newly developed and mapped internal processes, major duties and responsibilities (shown in Figure 3) were amended and redesigned based on objective information obtained through job analysis, an understanding of the competencies and skills required to accomplish needed tasks, and the needs of the association to produce work. These documents will be managed by the Admin Manager. Each job description document covers the following (as shown in Annex 1):

- Title, position, grade, team
- Position Scope and Benefits
- Reporting to and direct reports that includes subordinates titles
- Major duties and responsibilities
- Relevant policies and procedures employee should adhere to.
- Competencies, skills and attributes
- In-house and external training required for the position
- Basic job requirements and qualifications

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Figure 3

Title, position, grade, team
Position Scope and Benefits
Reporting to and direct reports that includes subordinates titles
Major duties and responsibilities
Relevant policies and procedures employee should adhere to.
Competencies, skills and attributes
In-house and external training required for the position
Basic job requirements and qualifications

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2.4 Overall Performance Management System

int@j is shifting from a functional association (a structure that is based on organizing resources to perform specialized tasks or activities in order to attain the goals of the association; in which the Project Management Office has little authority and power) to a **projectized association** (a structure that supports projects as the dominant form of business in which project members who are formally assigned to work on a specific project; and Project Management Office has high authority and power).

Because of its modular design, a projectized association should devote most of its resources to project work, and Project Management Office should aim to:

- Hire qualified project managers for the vacant positions and to procure external resources and/or outsource work as necessary.
- Build capacity in project management for the current employees
- Re-assign people to projects swiftly
- Place an efficient accounting system to track personnel and resource costs
- Grant authority and clear responsibilities to project managers to manage all aspects of the project.

Accordingly, a criteria was developed to identify whether an initiative, idea or line item reported in int@j business plan will be managed as a:

1. Project to be controlled by project management office policies, and processes that were developed to ensure effective implementation based on PMI standards.
2. Simple task to be performed by the function head and his/her team.

Project Managers will be sending regular progress reports that get consolidated by the PMO into a single “Summarized projects report” that is forwarded to int@j executive management and the board of directors so that key decisions can be made and actions can be reflected back to project managers to ensure continuous alignment.

In addition to the above, Key performance indicators have been set for all the basic functions shown in table 2-4 in which:

1. Executive management to set practical targets to be achieved by each function ensuring to provide the needed resources to achieve the target and/or ways to measure the achievement of the indicator.
2. Human Resources to ensure that these KPIs form the basis for both the function and individual performance appraisals
3. Project Management Office to monitor the progress and status of the KPIs and submit a consolidated KPIs status report on regular basis to executive management and the board of directors.

### Table 2-4: int@j key performance indicators

<table>
<thead>
<tr>
<th>Function</th>
<th># of Indicators</th>
<th>Function</th>
<th># of Indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td>HR and Admin</td>
<td>13</td>
<td>PR &amp; Communication</td>
<td>4</td>
</tr>
<tr>
<td>Financial Management</td>
<td>7</td>
<td>Research and Analysis</td>
<td>2</td>
</tr>
<tr>
<td>Project Management Office</td>
<td>9</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Business Development</td>
<td>12</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

It is highly recommended that int@j management review these key indicators on regular basis (preferably once a year) and ensure full implementation and monitoring their progress year over year.
2.5 Training int@j executive staff

To assure institutionalization and sustainability, the following training courses were conducted:

- One-on-one training on the newly developed and approved processes and performance management system
- Workshop for all employees on how to map a process that includes:
  - Input, activities, output
  - What-if scenarios
  - Microsoft Visio Basic flowcharting
- One-on-one training for the acting quality representative who will be managing int@j integrated management system

2.6 Training needs assessment

No matter what the industry, or the size of the business, training will always have a positive effect on performance and a measurable impact on the business bottom line. Training brings direct benefits to business and can be calculated as a return on investment. International research indicates that the increase in employee productivity resulting from targeted training can yield a return on investment of more than 30 per cent\(^1\)

Employees benefit from training too, learning new skills and becoming a valued asset in their organisation. Regular training and learning opportunities are an investment that will allow employees to prosper and develop their careers while giving the business a highly skilled workforce and a competitive advantage in the market.

With reference to the newly developed organizational structure and operational activities, a training needs assessment has been initially conducted for all the current employees and training needs are incorporated as a separate section in the Major Duties and Responsibilities for each function; example of such is shown below for the PR and Communication personnel:

1- On job training:
   - int@j processes
   - int@j systems
   - int@j by-laws

2- External Training:
   - int@j website
   - Technical Writing Skills
   - Negotiation and Communications Skills
   - Fundamentals of Project Management

Qualified employees still need to be hired with the right qualifications, skills and competencies detailed in the Major Duties and Responsibilities for the following functions:

1- Human Resources.
2- Business Development Manager.
3- Quality Assurance.

2.7 Review the association’s compensation, reward, and incentives schemes

The level and distribution of pay and benefits can have a considerable effect on the efficiency of any association, and on the morale and productivity of the workforce. It is therefore vital that associations develop pay systems that are appropriate for them, that provide value for money, and that reward workers fairly for the work they perform.

Pay systems are methods of compensating people for their contribution to the association. Ideally, systems should be clear and simple to follow so that workers can easily understand how they apply to them personally.

In considering rewards it should be borne in mind that pay and financial benefits are not the only motivator for worker performance. Other important motivators for individuals may include job security, the intrinsic satisfaction in the job itself, recognition that they are doing their job well, and suitable training to enable them to develop potential.

Many organizations use one or more combined pay systems that provide direct links to individual performance and results. Below are six pay systems for which definitions can be found in Annex 2.

1- Payment by results (PBR)
2- Work-measured schemes
3- Measured day work (MDW)
4- Appraisal/performance related pay
5- Market-based pay
6- Competency and skills based pay.

Assessing current compensation, reward and incentives schemes and discussing reasons for resignation by employees interviewed prior to their departure, the following problems were revealed:

1- Instability in the executive management position at the association affected the morale of the employees and resulted in unclear direction for the association and lack of respect for the company by-laws.
2- Lack of clear SMART objectives and/or targets that employees need to achieve and be evaluated on in evaluation period.
3- Inadequate HR system:
   a. No qualified HR personnel who can hire the right personnel\(^2\) and who can play an active role in maintaining the association’s culture throughout all the changes in executive management.
   b. No clear salary scale and grading system which resulted in inconsistency in employees salaries.
4- Poor Training system. No training needs were assessed nor there is a training development plan
5- Lack of motivation resulting from part-time supervision, unclear goal setting and insufficient monitoring of the worker’s performance.
6- Lack of career path for the employees.

\(^2\) Right personnel means right qualifications, right skills, right background and culture at the right time
As a result of the assessment and analysis to select the best pay system that would fit int@j culture and current situation, it is highly recommended to implement a hybrid pay system that would combine both “Appraisal/performance related pay” and “Competency and skills based pay” for the following advantages:

- 'felt fair' evaluation system of rewarding people according to their contribution
- Appraisals that focus on the assessment of performance, the identification of training needs and the setting of objectives
- Workers who understand the performance imperatives of the organisation
- Focus on identifying the correct competencies, choosing the right form of assessment and crucially, training the supervisors to make accurate, objective judgments.
- Link between extra pay and extra performance is clear.
- Increased skill and flexibility in the workforce
- Provision of a tangible means of recognizing achievements
- Increased efficiency
- Tangible benefits for workers in return for changes in working practice.
- Help in building an overall organizational philosophy of continuous improvement not only for the individual but also for the whole association.

Accordingly, several actions are recommended for int@j that will result in improving the employee’s morale and retention rates:

1- Build a “Skills Matrix” for all existing and newly joined employees and assess who has the skills required and who requires training prior to probationary-period confirmation of employment. For new hires, it is recommended that this is done during the interview stage
2- Provide in-house and external training that would enhance the employees’ skills and address weakness areas. As part of int@j business plan, the following is planned:
   a. Fulfill training needs identified and reported in the Major Duties and Responsibilities for every function. These needs are a ‘must’ for the job and should not be tied to any employment commitments.
   b. Provide other self development training opportunities especially if certificates are available on condition that these opportunities are tied to employment commitment.
   c. Long-term employees (five years or above) may be provided with the opportunity to earn a “Certified Associations Executive” certification from ASAE\(^3\) & the Center for Association Leadership. It is worth mentioning that int@j will seek financial aid to cover this rather costly program from donor agencies and/or corporate sponsorships. It is recommended that this benefit be given to those employees who completed three years rather than five years and above.

3- Conduct awareness sessions to all employees explaining the association’s business plan and mentor all employees on how their objectives are linked to the overall strategy of the association. This will allow the employees to work as one team in which the performance of the individual contributes to the overall performance of the organization.

4- Study the salary scale of the market and develop a salary scale, grading system and clear career path for all functions. This will enable efficiency in recruiting new hires based on qualifications set in the major duties and responsibilities. Example is shown in table 2-7 for the Business Development team.

\(^3\) ASAE stands for American Society of Association Executives [http://www.asaecenter.org](http://www.asaecenter.org)
Table 2-7: int@j Salary Scale

<table>
<thead>
<tr>
<th>Team: Business Development</th>
<th>Salary Scale</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Title</td>
</tr>
<tr>
<td>Membership Services Coordinator</td>
<td>6</td>
</tr>
<tr>
<td>Senior Member Services Coordinator</td>
<td>5</td>
</tr>
<tr>
<td>Membership Services Manager</td>
<td>4</td>
</tr>
<tr>
<td>Senior Membership Service Manager</td>
<td>3</td>
</tr>
<tr>
<td>Business Development Manager</td>
<td>2</td>
</tr>
</tbody>
</table>

5- Agree with employees at the beginning of each evaluation period on the objectives to be achieved. A revision of the current evaluation form is highly recommended to include not only skills and competencies evaluation but also the following:

a. Standard objectives (objectives that resides in every evaluation period)
   e.g. Answering incoming calls within 3 rings for the admin team
   e.g. Publishing the quarterly magazine by the first week of every quarter
   e.g. Conducting sales visits of at least 90% of member every quarter

b. SMART objectives (objectives that are specific to the evaluation period; sources can be the KPIs set for every function).
   e.g. Conducting two successful\(^4\) trade-missions in KSA and Egypt.

c. Employee and Direct Manager feedback on best achievements, opportunities, need improvement areas and actions plan.

d. In-house and external training needs showing the subject, objective, urgency and target date.

The agreement on, and setting of, personal development goals will also help to recognize the importance of the engagement of the individual. The more motivated the employees are by the development objective the better they appear to perform, often putting extra time into self development activity.

In many organizations, standard and smart objectives may contribute to 70% of the overall evaluation where individual skills can contribute to maximum of 30%.

And as stated in int@j business plan:

6- Grant financial rewards by CEO and/or board of directors to employees that have successfully delivered exceptionally challenging tasks, significantly exceeded expectations, or have demonstrated extraordinary dedication and hard work.

7- Reward employees through semi-annual bonuses (13th & 14th month salaries) on their performance on preset KPIs.

8- Grant incentive bonus in the form of commissions to team members engaged in membership recruitment & retention efforts provided targets are met and satisfied.

\(^4\) in this case, the word successful needs to clearly explained.
2.8 Roll-out plan

int@j executive management is encouraged to:

1. Start implementing the newly developed procedures and policies.
2. Conduct regular quality assurance audits to ensure effective implementation of the newly developed processes and recommend any amendments or development of new processes. It is recommended that the audit is done by an external entity especially for the first year; first audit to be conducted after 3 months of implementation.
3. Implement all recommendations suggested in Section 3.0

3. Recommendations

int@j executive management is encouraged to implement the following recommendations:

1. Study, design and develop a suitable salary scale and a grading system and ensure that new hires are employed based on qualifications and business needs vs. relevant salary and grade.
2. Due to high employee turnover, it is highly recommended that int@j hires qualified HR personnel who may have dual responsibilities along with other function.
3. Assess employees satisfaction at regular intervals and provide open channels for feedback and input to management; address causes of employee dissatisfaction promptly and fairly to improve retention and employee morale.
4. Communicate the annual business plan with all employees and solicit feedback.
5. Set Standard and SMART objectives for every employee and ensure all employees are aware of how their work relates to the overall achievements of the association.
6. Develop a “Basic Training Programs” that aims at orienting and engaging all new hires.
7. Design knowledge-sharing and team-building sessions between employees than can increase the morale and enhance the team work.
ANNEXES
Annex 1: Sample of Major Duties and Responsibilities

<table>
<thead>
<tr>
<th>POSITION</th>
<th>REPORTS TO</th>
</tr>
</thead>
<tbody>
<tr>
<td>Projects Manager</td>
<td>CEO</td>
</tr>
<tr>
<td>TEAM</td>
<td>DIRECT REPORTS</td>
</tr>
<tr>
<td>Projects Management</td>
<td>Projects Coordinator, Outsourced Consultants</td>
</tr>
</tbody>
</table>

**SCOPE**

The Projects Manager is responsible for carrying out the tasks, roles and responsibilities related to projects management throughout int@j ensuring that all inquiries and needs are properly handled, addressed, delegated, and solved in a professional manner according to policies & standards.

**BENEFITS**

- Social Security Plan
- Medical insurance plan

**MAJOR DUTIES AND RESPONSIBILITIES**

Typical duties included are but not limited to:

1- Lead the development and annual review of the association’s programs of activities.
2- Prepare regular progress reports on the status of all projects and present them to int@j management.
3- Plan the association’s projects in order to accomplish its goals or produce the products required within constraints such as time, cost and agreed quality standards and key performance indicators.
4- Plan and monitor all procurement activities.
5- Inherit and act upon a detailed project plan from sources such as a contract, a business plan, an organization, or a funding body.
6- Allocate association human and other resources, and distribute work-loads and manage dependencies and interrelations among projects.
7- Develop projects budgets and monitor budgets versus actual expenditures/revenues.
8- Standardize and maintain program management office processes.
9- Administer all projects’ contracts.
10- Devise and execute contingency plans.
11- Articulate and negotiate consensus on a final vision of the project and core project goals.
12- Manage major issues and mitigate risks, escalate and conduct effective corrective actions.
13- Define acceptance criteria for project deliverables and work toward achieving stakeholder acceptance of deliverables.

**RELATED PROCEDURES & TRAINING**

Employee is requested to adhere to:

1- All policies, procedures documented under projects management published under int@j Integrated Management System.
2- All related systems training materials.
3- All security procedures.
4- int@j By-laws
5- Governing contractual documents

**COMPETENCIES, SKILLS & ATTRIBUTES**
I- COMPETENCIES
• Ability to work under pressure
• Ability to adapt to continuous change
• Ability to work independently, without immediate supervision
• Ability to establish and maintain effective working relationships
• Ability to motivate people and foster a team environment

II- SKILLS
• Communication & interpersonal skills
• Leadership skills
• Team-building skills
• Organizational skills
• Management and strategic planning skills
• Time management skills
• Analytical skills
• Follow up skills
• Strong reporting skills and capabilities

III- ATTRIBUTES
• Self Motivated
• Initiative
• Positive Attitude
• Organized
• Decision Maker
• Results Oriented
• Dynamic
• Energetic
• Team Player

Training
On job training:
• int@j processes
• int@j systems
• int@j by-laws
External Training:
• Fundamental of Financial Management
• Project Management Professional Certification
• Project Management Tools e.g. MS Project
• Advance Business Analysis

Basic / Job Requirements
• Bachelor Degree in business management or any other related field (Industrial Engineer)
• Computer proficiency (MS Applications: Word, Excel, Power Point, MS project and outlook)
• Experience in managing medium-large projects through completion
• English Proficiency
• Field experience is preferred
• Knowledge of local labor law is preferred but not a must
Annex 2: Incentive Schemes for Individuals

(1) Individual payment by results (PBR)

The aim of any PBR scheme is to provide a direct link between pay and output: the more effectively the worker works, the higher their pay. Many bonus schemes incorporate quality measurements or customer service indicators in the assessment to avoid the likelihood of workers cutting corners or compromising safe working methods in order to increase output.

Earnings may fluctuate through no fault of the individual. Supervisors and managers may fail in their responsibilities towards workers by inconsiderate allocation of work or using the incentive scheme to control output. Targets may not be accurate enough resulting in the perception of easy or difficult jobs. Individual skills are not rewarded and indeed the most skilled may be put onto more difficult and potentially less rewarding work.

Piecework is the simplest method of PBR - workers are paid at a specific rate for each ‘piece’ of output. This means the system is straightforward to operate and understand, although open to the disadvantages that quality and safety may be compromised to achieve a higher output.

Other individual PBR schemes include incentive bonus schemes where for instance an additional payment is paid when volume of output exceeds the established threshold, or where there is an increase in sales which exceeds given targets. Variable bonuses can also be paid in relation to performances achieved against pre-determined standards so that the higher the performance achieved, the greater the level of bonus generated.

(2) Work measured schemes

Work measurement is often used to determine target performances and provides the basis for many PBR schemes for shop-floor workers. In these systems, a ‘standard time’ or ‘standard output level’ is set by rate-fixers, or by work study, for particular tasks. Work study calculates a basic time for a task by using laid down methods, observing workers performing the operation and taking into account their rate of working.

Incentive payments are then linked to performance or to the output achieved relative to the standard, or to the time saved in performing the task.

(3) Measured day work

Measured day work (MDW) is a hybrid between individual PBR and a basic wage rate scheme. Pay is fixed and does not fluctuate in the short term providing that the agreed level of performance is maintained. MDW systems require performance standards to be set through some form of work measurement and undergo revisions as necessary. Motivation comes from good supervision, goal setting and fair monitoring of the worker's performance.

MDW is difficult and costly to set up and maintain. It requires total commitment of management, and workers. There must be effective work measurement and efficient planning, control and inventory control systems. The pay structure is often developed by job evaluation and with full worker consultation.
(4) **Appraisal/performance related pay**

Appraisal/performance related pay is generally used to link progression through a pay band to an assessment of an individual's work performance during a particular reference period, often a year. Alternatively, the reward may be an additional sum of money paid in the form of a bonus.

Assessments usually relate to an individual's achievements against agreed objectives relating to output and quality of work but may also include an element of evaluation of personal characteristics, such as adaptability, initiative and so on...

It is important therefore to focus appraisals on the assessment of performance, the identification of training needs and the setting of objectives, not on any dependent pay.

It should have good industrial relations and good communications systems in place. It is also important that the finance necessary to operate the scheme is available.

It is important to monitor the appraisals, to pick up any drift from the overall distribution of ratings and to check the fairness, equity and consistency of the ratings.

Managers need to be trained to operate individual performance related pay schemes and should be aware that team-working may be adversely affected - such schemes may prove divisive as workers seek their own performance improvements without consideration of any effect on the work-team and perhaps withhold help and information from co-workers.

(5) **Market-based pay**

Market-based pay links salary levels, and progression through the scales, to those available in the market. It is often used in conjunction with a performance pay matrix, which allows faster progression from the bottom of the scale to the market rate, which will be the mid-point. Progression then slows, regardless of the performance of the worker, as they are deemed to be earning above the market rate for their job. It is rarely used as a scheme in isolation, but may be part of a reward strategy incorporating several performance elements.

(6) **Competency and skills-based pay**

Competency and skills-based pay schemes have increased in popularity in recent years. A direct link is created between the acquisition, improvement and effective use of skills and competencies and the individual's pay.

Competency and skills-based schemes measure inputs, i.e. what the individual is bringing to the job, unlike traditional performance based schemes which measure outputs.

Competency may be generally defined as the ability of an individual to apply knowledge and skills and the behaviors necessary to perform the job well.

Competency based systems have become more wide-spread because many organizations already use competencies in recruitment and in performance appraisal for non-pay purposes, such as development and training. It goes along with the increasing tendency for pay to be linked to the abilities of the individual rather than a single set rate for the job.

Difficulties may arise in defining the competencies valued by the organisation. There are differences between behaviors that are in-built and those that can be developed. Problems may also arise because of the complex nature of what is being measured and the relevance of the results to the organisation. Judgments about people's behavior may be less than objective.
Competency assessment rests on several factors - identifying the correct competencies, choosing the right form of assessment and crucially, training the assessors to make accurate, objective judgments.