



## Article

### Personnel Development

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## Personnel development

Personnel development is one part of personnel planning and therefore not exclusively a task for line managers but also for other parts of the company such as the personnel department.

It “covers the totality of all systems, programmes and methods for equipping the employees on all levels of the hierarchy to meet current and future requirements.”<sup>1</sup> This definition makes two things clear:

1. The results of personnel development are hugely important to immediate line managers, because the latter depend on the qualifications of their staff.
2. Personnel development relates to two time periods: the present and the future.

These two points indicate that a manager should have an eye not only on the current ‘fit’ between job requirements and employee qualifications, but also the future ‘fit’. This gives rise to the two main functions of personnel development: the repairing function and the preparing function.

Fig. 1: Main functions of personnel development

Function	Repairing	Preparing
Focus	Current qualification	Future qualification
Oriented on	Comparison of current job requirements with current qualifications of the employee	Comparison of future job requirements with potentials of the employee
Tools	Personnel assessment Work samples	Assessment of potential Assessment centre

### Term 1: requirements

Requirements always emerge from the tasks that are typical of a certain job. They link the characteristics of a job and those of the *behaviour* of a person doing it. To do this, they should be formulated such that they also describe personal behaviour. In the table below we present the three ways that a work process can be described:

Fig. 2: Job descriptions

Work process	Input	Transformation	Output
<b>Content of the assessment</b>	Characteristics of the employee	Employee's working behaviour	Employee's work result
<b>Approach</b>	Characteristic-oriented approach	Activity-oriented approach	Results-oriented approach
<b>Focus</b>	Personality of the employee	Manner in which activities are executed	Quality of the result
<b>Reference</b>	Characteristics considered relevant	Specific requirements placed on activities	(Individually!!) determined objectives
<b>Premise</b>	Characteristics are universal and general behavioural dispositions	Specifically observable working behaviour is the overall yardstick for performance	Results achieved are the general yardstick for success

The distinction between characteristic-oriented and activity-oriented approaches is relevant to personnel development – the 'results-oriented approach' described in the table is reflected in the 'agreement on objectives'.

In HRD practice, categories such as ability, competence and skill are often allocated somewhat casually. So "in the great majority of companies; characteristic-oriented grading procedures have become established for assessing performance."<sup>2</sup> Yet this form of personnel or potential assessment evaluates people's abilities, not their behaviour. These categories are therefore unsuitable for use in HRD hinging on behaviour. This has drawn the following comment from Jürgen Berthel and Fred G. Becker: "Experience shows that a wide range of characteristic-oriented criteria (e.g. initiative, reliability, flexibility, etc.) are selected as standard features. These criteria are not suitable for assessing performance."<sup>3</sup> Nerdinger adds, "If possible, assessment procedures should not cover any characteristics or skills."<sup>4</sup>

Activities described and the corresponding work behaviour are therefore expressed in the requirements.

It is possible to differentiate roughly between various jobs by describing their requirements, which is customary in an international context. Four main aspects can be recognised:

- mental requirements
- physical requirements
- responsibilities
- working conditions.

One way of describing the requirements placed on behaviour at a workplace starts by taking these four points in turn. If the resulting description is too general, further differentiation can produce a sub-classification of the requirements<sup>5</sup>:

*Fig. 3: Major aspects in describing types of requirements*

Type of requirement	Type of requirement
1. Mental requirements	a) Specialist knowledge b) Reflection
2. Physical requirements	a) Dexterity b) Muscular work c) Nervous and sensory stress
3. Responsibilities	a) Resources and products b) Safety and health of others c) Work flows
4. Working conditions (stress due to)	a) Temperature b) Wetness c) Dirt d) Gases & fumes e) Noise & vibration f) Glare & deficient lighting g) Risk of catching cold, working outdoors h) Risk of accidents

## **Term 2: qualifications**

Qualification can be expressed in a simple formula: qualification = (knowledge + capability) x will.

People's current qualifications are therefore manifested in:

- the abilities they have to carry out a certain task (knowledge)
- the skills they possess for applying their knowledge practically (capability)
- their attitudes in relation to applying their skills and abilities under the current conditions (will).

These three components can be seen in a person's specific behaviour; they form an object of personnel assessment, work sampling and other instruments of "repairing" HRD. In preparing HRD the aim is to identify the potentials, talents and trends in a person's knowledge, capability and will. However, the large amount of forecasting involved makes this much more difficult to do.

### Structuring and systematising the requirements and qualifications

If the assessor and the person assessed, plus the line managers and the personnel department, are to avoid misunderstandings and discrepancies, they will have to define descriptive and observable dimensions for the features of a job and for employee behaviour. The following matrix presents one example covering the dimensions 'co-operation' and 'work planning':

Fig. 4: Catalogue of aspects for co-operation and work planning

Dimension	Feature
Co-operates with others	<ul style="list-style-type: none"> <li>Takes up other ideas and opinions</li> <li>Takes other interests into consideration</li> <li>Does not assert him/herself at the expense of others</li> <li>Shares experience of success with others</li> </ul>
Plans own work	<ul style="list-style-type: none"> <li>Keeps to schedules</li> <li>Delivers on agreements</li> <li>Sets his/her own work goals</li> <li>Takes a structured and systematic approach</li> </ul>

To avoid the error described above – of evaluating personal characteristics – this example purposely does not use nouns derived from adjectives (e.g. *ability* to co-operate). This is because co-operative *behaviour* can be observed and is therefore a suitable object of assessment. It is almost impossible for lay persons (i.e. non-psychologists) to evaluate a person's *ability* to co-operate – “it can far too easily turn into mere reproduction of prejudices.”<sup>6</sup>

Such features should not be categorised on the basis of points or marks awarded, or plus/minus signs, but verbally. Herbert Einsiedler et al. suggest the following procedure: “An expedient verbal representation of the degree of prevalence allows classification in one of five stages that can be applied to all dimensions. So, taking the dimension 'work organisation' as an example, the description of the qualification stages would look like this:

Stage 1:

The employee knows about the procedures for work organisation.

Stage 2:

The employee is familiar with individual procedures for work organisation.

Stage 3:

The employee can apply individual procedures for work organisation.

**Stage 4:**

The employee has mastered these procedures and can adapt them to changing situations in practice.

**Stage 5:**

The employee has sufficient specialist knowledge of these procedures that he/she can act as a coach *for other* employees, for example.”<sup>7</sup>

Another possibility is to draw up a table of the requirement aspects, requirement classifications and the line manager’s assessment of the employee’s qualifications. In the following example a “+” indicates the job requirement (here for a QM officer):

*Fig. 5: Requirements of a quality management officer*

<b>1</b>	Employee takes decisions very rapidly and securely	Employee takes decisions after longer consideration	Employee avoids taking decisions
Decision-making behaviour		+	

<b>2</b>	Employee always follows routine paths	Employee often follows routine paths	Employee optimises familiar work flows	Employee recognises new options	Employee creates new options
Routine and innovation		+			

<b>3</b>	Employee forwards information without being requested	Employee forwards information quickly	Employee forwards information correctly	Employee forwards complete information
Forwarding information		+		

The advantage of this type of matrix is the variety in

- arranging the most positive / negative responses

- formulations as questions or statements
- the number of scales
- headings for the columns: using verbs and adjectives
- judgements and descriptions: under point '3' several ways of passing on information are described, without making judgements about them.

So, the comparison between job requirements and employee qualifications should always end with a structured juxtaposition – no matter whether you are considering the present or the future. Creating this type of structure is not the task of the individual managers; it is a task for the organisation. Yet all the same, the managers should be involved in the development of a structuring and systematising system, so that their experience and expectations can feed into the process. The structured juxtaposition forms the starting point for the personnel development measures.

### Personnel development measures

In practice, various teaching and learning methods are applied in HRD for training – that is, for developing abilities and skills. Depending on the location where they are used, these methods can be classified as training-on-the-job, training-near-the-job, and training-off-the-job:

Fig. 6: Overview of HRD methods

Training-on-the-job	Training-near-the-job	Training-off-the job
<ul style="list-style-type: none"> <li>▪ Instruction at the workplace</li> <li>▪ Acting as assistant and deputy</li> <li>▪ Model learning</li> <li>▪ Job enlargement</li> <li>▪ Job enrichment</li> <li>▪ Job rotation</li> <li>▪ Group autonomy</li> </ul>	<ul style="list-style-type: none"> <li>▪ Quality circle, learning group</li> <li>▪ Mentoring, coaching</li> <li>▪ Project group work</li> <li>▪ Employee reviews</li> <li>▪ Training workshops</li> </ul>	<ul style="list-style-type: none"> <li>▪ Lectures</li> <li>▪ Conferences, workshops</li> <li>▪ Courses</li> <li>▪ Behavioural training, role-plays</li> <li>▪ Case studies, planning games</li> <li>▪ Group dynamics training</li> <li>▪ Team building</li> </ul>

Becker, F.G. (2002), pp. 419 et seq.

The input required and the costs of off-the-job training are very high. For on-the-job measures these factors are significantly lower and the results can be much more easily transferred to the current situation. For these reasons training-on-the-job has become more and more commonplace over recent years. The three most important forms of on-the-job training are the following:



- job enlargement
- job enrichment
- job rotation.

Job enlargement means that more duties are added to the post, for example an additional sales region is to be covered.

Job enrichment means taking on qualitatively different duties, for example assuming responsibility for budget and personnel planning alongside existing sales activities.

Job rotation means temporarily switching to a different division and then, using the abilities and skills acquired there, being better able to work in one's original field. One example would be a sales manager 'having a go' in marketing or product development.

### Planning personnel development measures

The various forms of enlargement, enrichment and rotation are also the most important categories in planning personnel development measures. The following table shows the elements of an HRD plan:

*Fig. 7: Elements in HRD planning*

Designation and function	Job enlargement	Job enrichment	Job rotation
Main task to be developed	Measure	Measure	Measure
Behaviour to be developed	Measure		Measure
Selected first step (start of HRD)	Subsequent steps (HRD plan)	Altered working environment (consequences for organisational development)	Duration of HRD

The measures set out in this way – a kind of collection of ideas – are very useful for demonstrating the various development options and then selecting most suitable ones for the job, the person and the organisation. This avoids a tendency seen in many organisations to keep on using the same limited number of measures over and over again.

Fig. 8: Elements in HRD planning – ‘Group spokesperson’ example

Group spokespersons	Job enlargement	Job enrichment	Job rotation
<b>Function</b> Interim and final checks	Measurement calibration	Calibrator audit	“Filling in” as foreman’s deputy
<b>Main task</b> Leading teams	<b>Measure</b> Chairing planners’ meetings	<b>Measure</b> Moderating in conflicts	<b>Measure</b> Deployment in other departments
<b>Behaviour</b> Training in chairing meetings	<b>Measure</b> “Filling in” in own dept.; deployment in other depts.	<b>Measure</b> PC access; participation in management meetings	<b>Measure</b> 4 months
<b>(Start of HRD)</b>	<b>Subsequent steps</b>	<b>Consequences for organisational development</b>	<b>Duration of HRD</b>

Fig. 9: Elements in HRD planning – ‘Team leader’ example

Team leader	Job enlargement	Job enrichment	Job rotation
<b>Function</b> Conduct coaching	- not every box has to have something in it -	Mentoring system for junior managers	Personnel department (coaching supervision)
<b>Main task</b> Delegation	<b>Measure</b> Project work	<b>Measure</b> Preparing for and chairing meetings	<b>Measure</b> Deputising for head of department
<b>Behaviour</b> Training for managers	<b>Measure</b> Mentoring system > project work	<b>Measure</b> Team co-leader	<b>Measure</b> 8 months
<b>(Start of HRD)</b>	<b>Subsequent step</b>	<b>Consequences for organisational development</b>	<b>Duration of HRD</b>

In these examples, the boxes marked ‘Consequences for organisational development’ show clearly just how important the consequences of organisational restructuring are for allowing the HRD measure to exert its effects. It is the organisational consequences that anchor the HRD measure in the actual organisational situation. These consequences may include technical changes (such as PC access in the first example), functional changes (appointment as deputy team leader) or changes in authorisations (such as additional representative powers). If the organisational structure remains unchanged, the person receiv-

ing the training will relapse into his/her previous behaviour pattern. This means that the efficiency and effectiveness of HRD depend on the measures undertaken within organisational development.

### **Strategic personnel development**

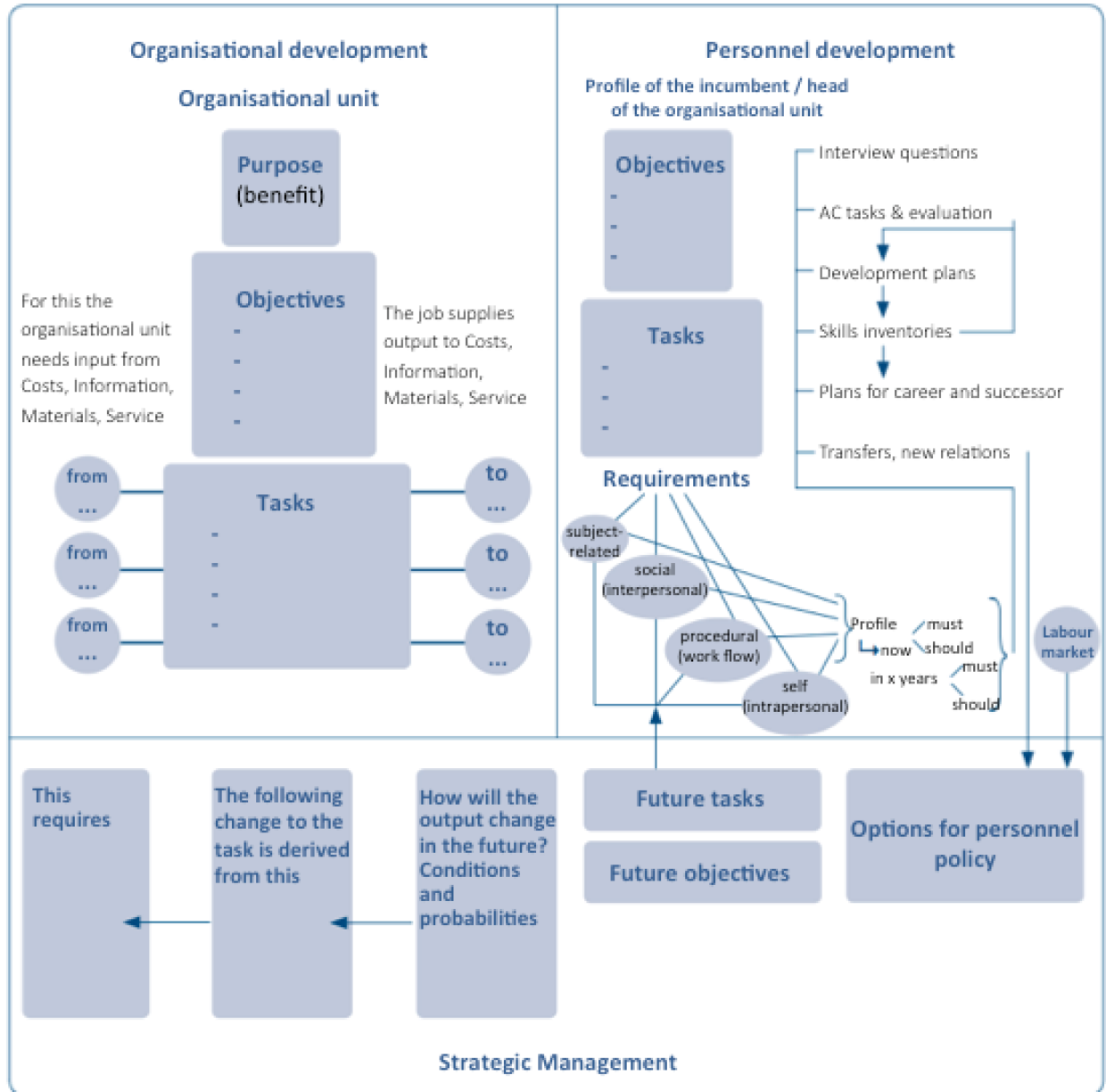
Strategic personnel development begins with the following question: “What potentials will be required in the future?” To find an answer to this question, the organisation has to be clear about the following:

- its orientation
- the strengths it builds on
- the weaknesses it wishes to avoid
- the customer problems it wishes to resolve in the future.

Figure 9 illustrates how the strategic management statements impact on job changes and then on the qualifications that will be necessary in the future. Only when these fundamental statements on strategic HRD have been made will it become clear which potentials latent in which members of staff should be developed to meet future requirements. Yet before staff development can start with a view to future requirements, the potential of the future training for the employees selected should be considered. Even if you believe that a certain staff member can manage the first steps on the path to a challenging task, this does not tell you how the person will perform or carry out the subsequent, more demanding steps. Everyone has the potential to learn to play the violin, but most people stop playing a long time before they get to Beethoven’s sonatas.

There are potential assessment procedures for gauging how much potential exists in which employees in respect of certain behavioural criteria. These procedures should form part of any programme of strategic personnel development. What does the strategy mean for the job? How will the job change? For the employees, the potential assessment means how will they change?

Fig. 10: Strategic management, organisational and personnel development



Einsiedler, H. et al. (2003), p. 59.

## Potential assessment

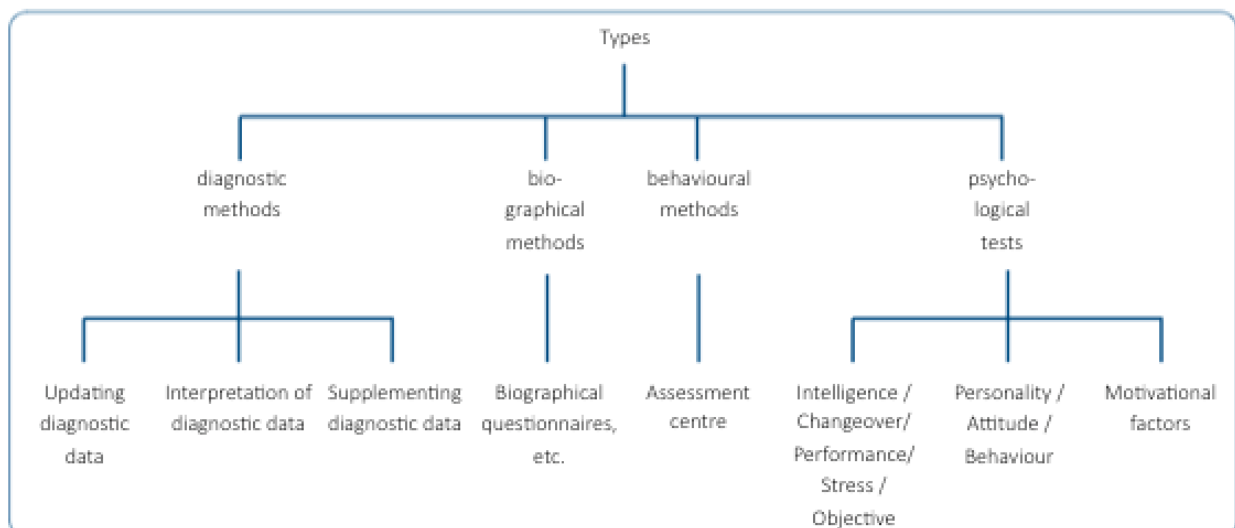
The future aspect in training is therefore the object of potential assessment. It is used to shed light on the development opportunities of qualifications already realised, and the development opportunities of as yet unrealised qualifications. So potential assessment is separate from current activities and takes into account as many behavioural features as possible. The following types are distinguished:

- sequential potential assessment, which considers the next level in the hierarchy
- absolute potential assessment, which includes many possible deployments for a longer (future) period.

As with all forecasting procedures, this one does not come with a 100% guarantee. The uncertainty can however be greatly reduced by applying valid methods. What such methods have in common is that they cover the entire spectrum of qualifications (required in the future), that is, knowledge, ability and will.

In practice the diagnostic method, biographical method, assessment centres and psychological tests are all used as tools in potential assessment.

Fig. 11: Potential assessment systems



After Becker, F.G. (2002), pp. 455 et seq.

The validity is highest for (well designed) assessment centres and psychological tests.<sup>9</sup> The following table outlines two psychological instruments for assessing potential:

Method	Jobfidence	Power Potential Profile
<b>Focus</b>	Measuring six aspects: <ul style="list-style-type: none"> <li>▪ Adaptive intelligence</li> <li>▪ Analytical intelligence</li> <li>▪ Flexibility</li> <li>▪ Motivation to perform</li> <li>▪ Stress stability</li> <li>▪ Persistence in pursuing goals</li> </ul>	Measuring three aspects: <ul style="list-style-type: none"> <li>▪ Personality: Jungian Personality Profile (JPP) &gt; preferences according to C.G. Jung</li> <li>▪ Attitude: Matrix for the Development of Attitude (MDA) &gt; Relationship between authority and responsibility</li> <li>▪ Behaviour: Future Skills for Leadership (FSL)/ Future Skills for Sales (FSS) &gt; Measuring selected areas of competence</li> </ul>
<b>Procedure</b>	Solving tasks Answering questions within a set time limit using a standardised method (on PC or on paper)	Filling in online questionnaires without a time limit
<b>Mode</b>	External assessment	Self-assessment
<b>Feedback</b>	Feedback meeting with another person: result already determined	Feedback meeting with another person: result can be changed
<b>Use</b>	Tends to be applied during recruitment, in assessment centres and as preparation for interviews	Applied only during personnel development and enhancement – also in (HRD-oriented) assessment centres
<b>Website</b>	<a href="http://www.jobfidence.de">www.jobfidence.de</a>	<a href="http://www.power-potential-profile.de">www.power-potential-profile.de</a>

## HRD evaluation

Once the personnel development measures have been carried out, there only remains the question of their effect and success. To answer this question, the planning stage of an HRD measure should include consideration of where its impact – as positive as possible – should be felt.

It is helpful to distinguish the following five levels of evaluation:

Level	Knowledge gained	Instruments
<b>1. Reaction</b>	Participant satisfaction: How satisfied are the participants with the measure, its implementation and the general conditions?	Seminar assessment forms, structured interviews, feedback during the training
<b>2. Learning effects</b>	Increased knowledge: What methods, behaviours or specialist knowledge have the participants learned?	Tests, (partially) structured interviews, case studies, training performance
<b>3. Transfer</b>	Implementation: Which method or specialist knowledge is applied in practice? Which changed behaviours can be observed?	Observing behaviour, assessment by the line manager, assessment centre
<b>4. Performance</b>	Success rate: What impacts do the changed behaviours have? How does the customer / the market react to the changed behaviours?	Operating indicators, market research results, 360° feedback, customer surveys
<b>5. Results</b>	Business result: How does the changed behaviour or the application of specialist knowledge / methods impact on the company's business result? To what extent does a changed behaviour actually improve results?	Indicators, scenarios, opportunity costs, income statement

After: Einsiedler, H. et al. (2003), pp. 237 and 238

Let us present an example illustrating the five levels of evaluation: a bank wanted to raise the effectiveness of its employees. The plan was to achieve this by increasing the cross-selling activities. To this end, a sales training course was organised. The goal was to improve results by increasing the

actual cross-selling quota. The training brought the desired result: the employees were satisfied with the measure (reaction level) and knew how to use cross-selling to place additional products with customers (learning level). And the cross-selling techniques were in fact employed in practice (transfer level). The cross-selling quota rose, and a growing number of customers were willing to sign the relevant documents (performance level). And the bank's business result was improved through the extra cross-selling (results level).

Effects at the reaction and learning levels are of course much easier to identify than effects at the results level, because there we find many other influences too.

However, this should not prevent you as a manager from going beyond the reaction and learning levels whenever possible when you formulate evaluation criteria. For only then do you have the opportunity not only to track immediate HRD effects, but also to pinpoint effects on other people and on the organisation. Personnel development then becomes integrated into both personnel planning and corporate planning.

## Summary

- Personnel development is a task for the management. This is because only the direct manager is in a position to assess employees in terms of their behaviour at the workplace.
- In structured personnel development, assessment of the employee's behaviour is juxtaposed with the job requirements, to indicate measures for personnel development.
- If personnel development does not relate to the current activities, but to future activities, tools for gauging potential should be used for assessing the employee.
- Organisational changes should always be accompanied by personnel development measures, so that further training for the employee will also have the appropriate structure and content.



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- 1 Schwarz, A. (2004), p. 159.
- 2 Berthel, J. (2003), p. 159.
- 3 Berthel, J. (2003), p. 148.
- 4 Nerdinger, F.W. (2001), pp. 55-57.
- 5 Cf. also REFA (1987), p. 43.
- 6 Steinmann, H./Schreyögg, G. (2005), p. 695.
- 7 Einsiedler, H. et al. (2003), pp. 121-123.
- 8 Becker, F.G. (2002), pp. 419 et seq.
- 9 Cf. Schuler, H. (1998), pp. 77-150, pp. 164-174

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