A competence analysis and competence creation tool to integrate employees in subsidized contracts

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Human Resources Management & Qualification

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1. **Challenges for Europe**

2. **LWM: development, principles, measurement und advantages**

3. **The Lohnwertmethode: approach**

4. **INKAS-Project: aims and work stages**

5. **Summary and perspectives**

Challenges for Europe

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5th International Conference, 23-24 April 2013, Johannesburg

Challenges for Europe

› increase of unemployment

› increase in number and duration of long time unemployment

› reintegration of uneducated purchasing groups and elders (55+) into the labor market

› limitations in the practice of early retirement

› monetary exhaustion of social security systems

Impact of the recession on employment, EU-27+

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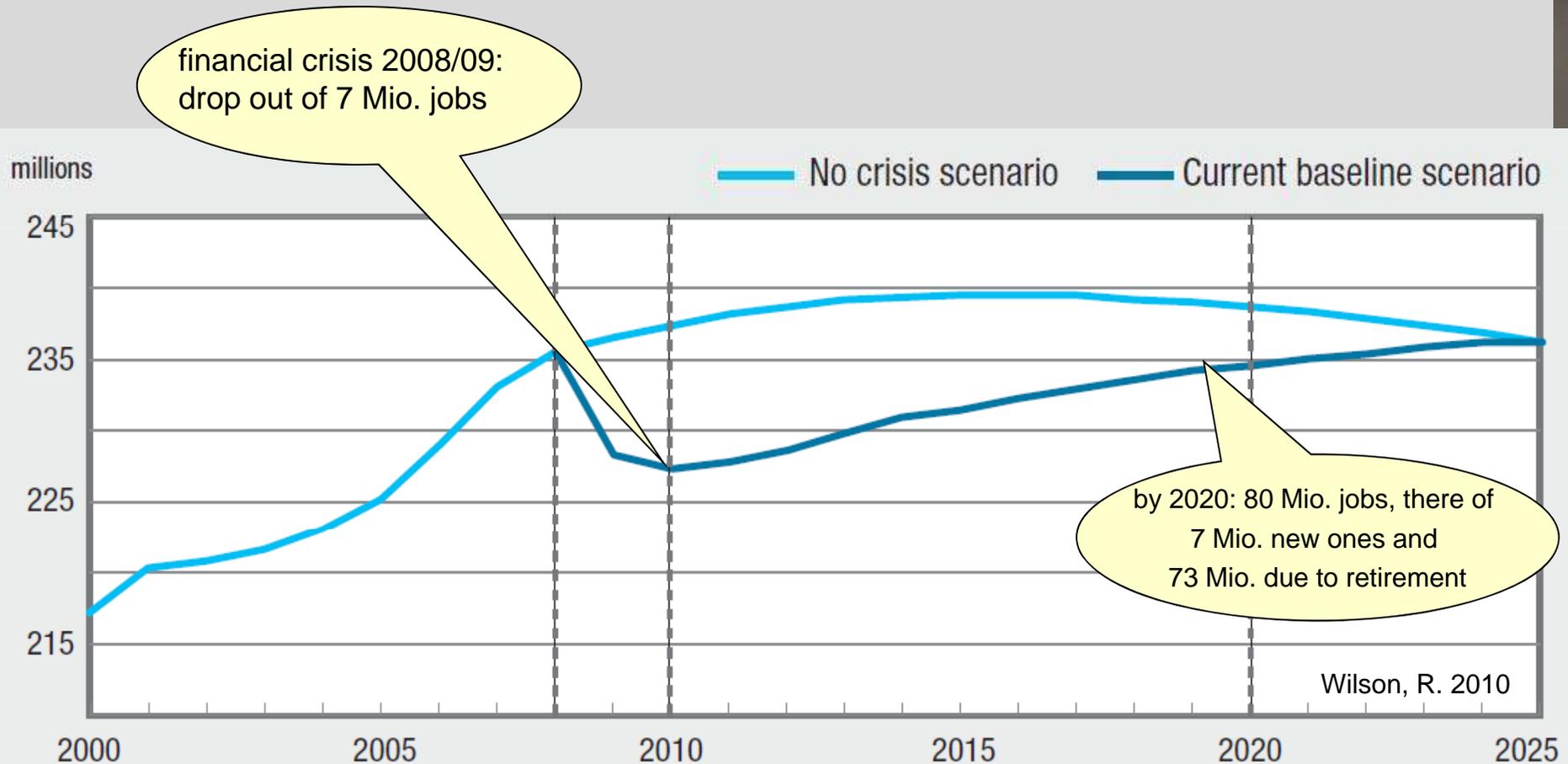
Challenge: unemployment in Europe

total of registered unemployment (Eurostat 2012)

	2010	2011	2012
Germany	7,1%	5,9%	5,4%
Greece	12,6%	18,3%	26,0%
Italy	8,4%	8,4%	11,1%
Netherlands	4,5%	4,4%	5,6%
Spain	20,1%	21,7%	26,6%
Hungary	11,2%	10,9%	10,9%
EU-total	9,6%	9,5%	10,7%

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youth unemployment (Eurostat 2012)

	2010	2010	2012
Germany	9,7%	8,5%	8,1%
Greece	32,9%	45,1%	57,6%
Italy	27,9%	27,8%	37,1%
Netherlands	8,7%	8,2%	9,7%
Spain	41,6%	48,9%	56,5%
Hungary	26,6%	24,8%	29,3%
EU-total	20,6%	22,0%	23,7%

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Central questions

How can a fast reintegration into working life be realized?

In how far can the employability be improved by implementing LWM, with the result that a fast, efficient and effective reintegration into a normal employment relationship can succeed?

Is it possible to apply the Lohnwertmethode in Germany, Bulgaria, Greece, Italy, Hungary and Spain as successfully as in the Netherlands?

LWM: development, principles, measurement und advantages

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- Has been applied successfully more than 4000 times in the Netherlands and has been developed further

- Has been developed …
  - as a method for determining the employees' „Lohnwert"
  - to improve the matching between the employees' competencies and the job requirements by measuring and developing competencies
  - by the Dutch University of Groningen and consultants

- Controls on a regular basis by an independent research institute (e.g. validity etc.)

- Costs per consultation: 600 Euro

Supported employment, development of competencies and client and quality orientation

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INKAS | INSTRUMENT ZUR KOMPETENZANALYSE UND -SCHÖPFUNG

Supported employment

Development of competencies (DC)

Client and quality orientation

superior/ executive

consultant

determining the „Lohnwert"/ DC-need

Processes of increase in value

employee

2. Planning of PE-measures

1. Determining the need for learning

Aims and strategy

3. Realization of PE-measures

4. Performance review & transfer

Products & services

quality

customer/ client

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Lohnwertmethode: principles

The following three principles serve as a basis:

(1) dialogue between leadership/manager and employee, which is professionally supported by consultants

(2) orientation towards potentials and not exclusively towards the employee's deficits

(3) job-related development of competencies

→ by orientation towards potentials →sole search for deficits and danger of stigmatization of the persons affected

Results of the measurement by LWM

60 % of competencies are missing

40 % of competencies are missing

40 % of competencies exist

60 % of competencies exist

→ Companies finance 40 %
Local authorities finance 60 %

→ Companies finance 60 %
Local authorities finance 40 %

point of measurement

t (0)

t (1)

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LWM: target groups

1. **people**, who are seen as in need of support at the labor market (e.g. work returnees, long-term unemployed and elder employees)

2. **potential employers** (companies/organizations) that are willing to offer people employment, who initially only have a few of the competencies required for a special job

3. **government employment offices** that want a regular feedback about the determined amount and estimated duration of the wage subsidy

LWM: advantages

+ **cities and local authorities** can support the target groups more efficient as well as more effective

+ **employers** are supported with the recruiting and further education of their employees and hence get the possibility to increase their employees' productivity and job satisfaction

+ The identification of the competencies can serve as a basis for the **following** internal development of competence

The Lohnwertmethode: approach

Competencies are…

     (1) context-linked

     (2) linked to tasks and activities

(3) Competencies can change gradually

(4) Processes of learning and development are a condition for gaining competencies

(5) Competencies are related to each other

Estimation of the level in comparison to a regular employee

- 20% - very poor
- 40% - poor
- 60% - moderate
- 80% - almost regular
- 100% - regular

Example – items

Function-related competencies:

1. **Basis competencies:**

   Showing attention and understanding, cooperation, communication in the job, planning and organizing, quality of the performance, instruction and process, coping with changes and uncertainty, coping with pressure and failure, communication, keeping appointments, social behavior, coping with problems

2. **Person-related competencies:**

   Stamina, flexibility, personal conduct and appearance, personal initiative, self-discipline, attention and concentration, responsibility, independence, client-orientation, precision, need for achievement, working ethics, willingness for critics, empathy

3. **Functional specific abilities:**

   Existence of the necessary working and thinking-level, ability of training, ability of learning, use of aids and machines, subject abilities

Absence because of illness and disability :

1. Percentage of absence because of illness referred to the average of the company
2. Working level referred to disability (physical, psychological or else caused)

➢ For the objective assessment of the competencies in case of uncertain response regarding a competence

➢ Insight into specific situations

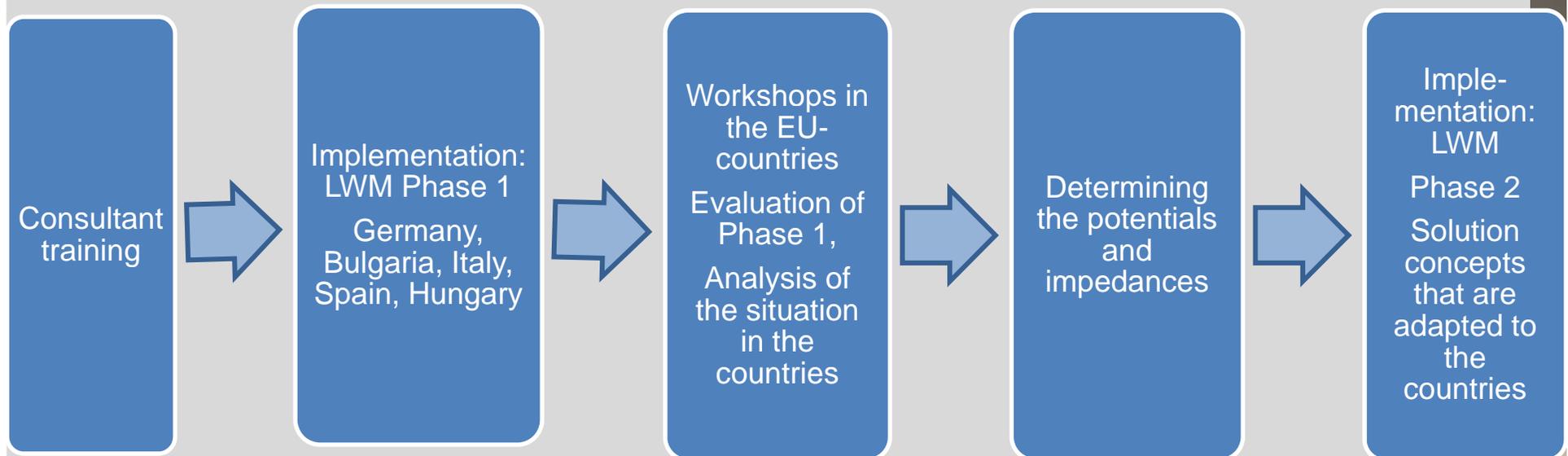S = **S**ituation
T = **T**ask
A = **A**ction
R = **R**esult
R = **R**eflection

starr–method

STARR	aim	action
situation	Get insight: of the situation-context in which a competence was acquired. Context can be the same for several competencies. Attention: work situation and/or private situation	Employee: describe the situation
task	Acquire insight of: - The tasks to be done in the described context - The client's role in these tasks - The extent of the part he/she has done independently to finish the tasks	Employee: describe the finished tasks
action	View referred to: actual behaviour while doing the tasks	Employee: describe the actions made
result	Acquire knowlege of the results of the actions (not only for the employee, but also from other players, e.g. colleagues)	Employee: describe the effects
reflection	Get insight into the employee's reflective faculty referring to his/her own behavior. Acquire knowledge referring to the employee's reflective faculty from earlier phases.	Employee: reflect

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INKAS-Project: aims and work stages

Work stages of the implementation of the Lohnwertmethode – transfer of innovation

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| Consultant training | → | Implementation: LWM Phase 1 Germany, Bulgaria, Italy, Spain, Hungary | → | Workshops in the EU-countries Evaluation of Phase 1, Analysis of the situation in the countries | → | Determining the potentials and impedances | → | Imple-mentation: LWM Phase 2 Solution concepts that are adapted to the countries |

→ *Supported by specialists-, process-, and power promoters* →

Summary and perspectives

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# Labour market policy measures for integration

strategy 1

- centralization
- deficits: Which job-impediments/barriers are observable?
- personnel developer: central or external?
- control
- distance
- external further education

strategy 2

- decentralization
- strengths/ potentials : What is the employee capable of?
- executives as personnel developers
- trust
- dialogue
- job-related development of competencies

Thesis:
strategy 2 is more successful than strategy 1→ but: need of research
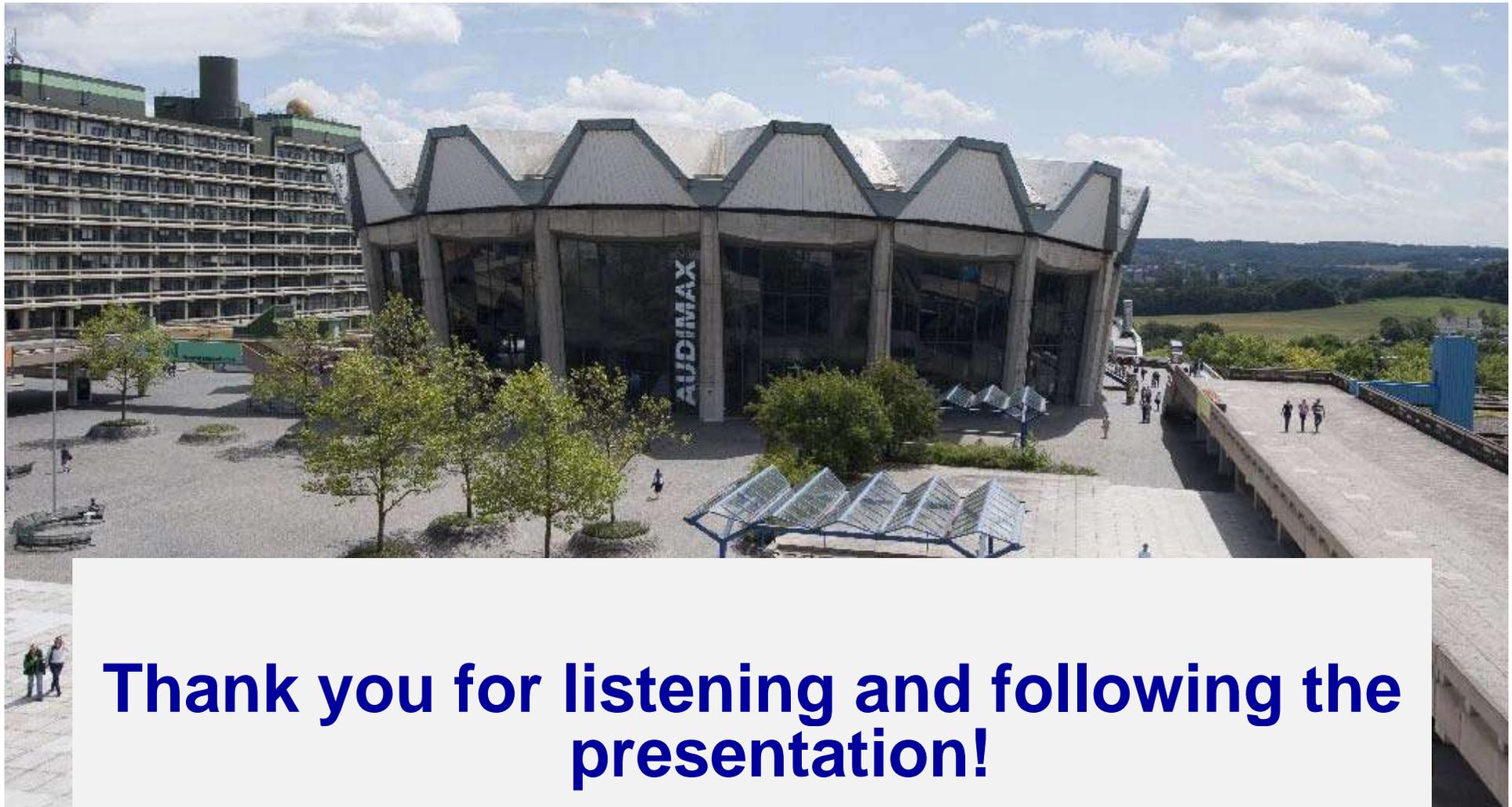
Thank you for listening and following the presentation!

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