

Options for Demonstrating Competency Validity

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Most organizations have either developed leadership competency models or are in the process of developing them. Many others have also developed metrics to assess their talent according to these competency models, often gathering ratings from the leader's boss and co-workers. A common question is how can an organization establish and defend the *validity* of these models and the metrics that are based on them. The following are a variety of approaches that organizations should consider:

1. Conduct a Job Analysis

Systematically develop a list of job requirements that provide the foundation for competency items and dimensions (A large literature on this topic is available). Options include collecting and classifying critical incidents (e.g., stories about leadership), conducting structured interviews with leaders who have been determined to be effective, conducting a job analysis survey, and running focus groups to refine competencies and gain buy-in from incumbents.

There is a vast difference between just stating competencies and demonstrating that they are valid and defensible.

2. Collect Content Validity Ratings

Ask a representative group of leaders and their direct reports to assess the relevance, clarity and observability of the behavioral items; weed out items as necessary.

3. Build a Metric to Measure Competencies

Collect data on a variety of leaders.

4. Use Factor Analysis to Derive Item Dimensions (scales)

Collect a pool of ratings, perform a factor analysis and choose dimensions that correspond to the factors.

5. Assess Dimension Reliability

Establish the stability or replicability of the scores (e.g., internal consistency and test-retest reliability).

6. Explore Sub-group Differences

Assess sub-groups and potentially rule out adverse impact.

7. Correlate Dimensions/Items with other Performance Criteria

(Performance appraisals, financial performance, promotion rates, other talent assessments, etc.). This can be done for the complete sample, for ratee subgroups (e.g., women leaders only), as well as for rater subgroups (e.g., peer ratings only).

8. Compare Effective Leaders with Ineffective Leaders

Nominate leaders through an independent process.



9. Compare “Rater Nominated Leaders”

Ask raters to think of one effective and one ineffective leader and to rate them independently. Study differences and test for statistical significance.

10. Set a Data Use Policy

(e.g., this data will be used for the purpose of x, y, and z only). Some applications of leadership competencies, such as leader selection, require a more rigorous validation process than others, such as providing feedback with a 360 instrument.

