THE DEVELOPMENT CENTRE METHOD
AS A TOOL FOR ASSESSING THE COMPETENCES
OF THE MANAGEMENT STAFF

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Abstract: The primary purpose of this article is to present the conditions for effective use of the Development Centre methodology in developing management competences. The article presents the methodology of running a Development Centre session based on the case of its implementation in a specific organisation.
The authors focused on the case study analysis of the correctness of the Development Centre application. The empirical part was supplemented with a description of selected competences of senior management. The article is summarised by conclusions – a set of good practices on how to successfully conduct the DC process.

Keywords: Development Centre, competences, competence assessment method, management competences.

1. Introduction

In contemporary companies, self-improvement, as well as professional and continuous development of competences, have become a priority. However, for the process to be effective, companies must diagnose the areas which require improvement, pass on the results of performance assessments to the employees in a clear and intelligible manner and design a development plan that would be based on individual needs and innovative development forms.

With such a vast selection of diverse methods of assessing employee performance (including tests, the 360-degree method) at hand, attention should be paid to the so-called Development Centre, a method which can be used to objectively assess employee competences, provided a detailed methodology is created.

Therefore, the ultimate purpose of this study is to present the conditions for the effective use of the Development Centre methodology in developing the competences of the

management, based on specific case analysis. The empirical part is supplemented by a description of selected competences of senior management and their assessment method, which is key for this study.

2. Key competences of the management

Competences can be defined as "dispositions in knowledge, skills and standpoints which can be applied to execute one's professional tasks at an adequate level" (Filipowicz, 2016, p. 46).

Noteworthy is that they "are hierarchical, which means that a different competence level is required for each of the levels" (Rakowska, 2007, p. 53). Four levels of competence can therefore be distinguished (Rakowska, 2007):

- Behavioural – which is related to the basic skills required in the workplace.
- Supplementary – which focuses on basic skills, as well as on understanding and knowledge.
- Integrated – which is based on the integration of understanding, knowledge and skills.
- Holistic – generally concentrating on the transfer and integration of cognitive structures.

B. Gajdzik has particularly emphasised the key competences of the management. She lists decision-making competences (the ability to make decisions and bear the risk), technical competences (the knowledge of practical procedures related to the execution of tasks associated with the profession), conceptual competences (the ability to perceive the organisation as a whole), administrative competences (related to the knowledge of regulations), specialist competences (characteristic for a given position), interpersonal competences (related to forming correct relations in a team) and organisational competences (delegating tasks, managing time) (Gajdzik, 2015).

The author also mentions so-called innovative competences, i.e. the ability to find oneself in innovative situations (in terms of solving uncommon problems) (Gajdzik, 2015).

In turn, M. Jabłoński points to the fact that creating and implementing changes in the organisation should be the dominant competence of the management (Jabłoński, 2015). What is also important is the ability to think systemically, effectively operate in a multicultural environment and the ability to learn or behave politely among colleagues (Jabłoński, 2015).

For this study, the authors assumed that competences are a repository of knowledge, skills and standpoints. According to the authors, they key competences are: being goal-oriented, personally effective, focusing on interpersonal communication, solving problems and being skilled in making decisions, as well as team work. These have been elaborated upon in the methodological part.

3. Development Centre – literature approach

Contemporary organisations focus on a multi-layered, both ongoing and periodical, assessment of competences. Not only does this method assume the continuous perfection of competences, it also limits ineffective behaviours in employees (Juchnowicz, 2007). It can be further used to "estimate the value of human capital and to identify the strong and weak sides of every organisation in an area which is considered to be the most essential to its development (Juchnowicz, 2007, p. 209).

It should be noted that an assessment which is carried out correctly, the principles of which are constructed according to a correct methodology, will identify the employees who not only have the highest potential for development, but who are also the most valuable repositories of knowledge at the moment (Juchnowicz, 2007).

As mentioned earlier, the so-called *Development Centre* (*DC,* also referred to as the *Assessment Centre*) is a method which identifies the personality profile, the competences and the value system of a person providing work. The method consists in "comprehensively examining the predispositions of any assessed participants" (Ludwiczyński, 2006, pp. 212-213).

The essence of this method is to "thoroughly examine the potential of the employee, and particularly of the management" (Grzebyk, Pierścienia, and Filip, 2014, p. 143).

A. Wieczorek-Szymańska has pointed to an important fact, namely that "nowadays, the focus has shifted to an integrated method referred to as *Assessment & Development Centre* (*A&DC* or *Developmental Assessment Centres – DAC*). In literature, the method is described as a procedure for assessing people in terms of their skills, abilities and features, which are considered important from the point of view of effectiveness of the entire organisation. The A&DC process includes various individual and group situational exercises. When performing them, the employees are observed and assessed by the assessors, who are usually experts in a given field, or the managers of the company. If the task is of strategic importance to the organisation, it should be observed by the chief executive officer or the chief operating officer" (Wieczorek-Szymańska, p. 113).

B. As M. Armstrong emphasises, in order to increase the effectiveness of assessments, that they should be attended by several assessors or observers (Armstrong, 2000).

The DC method can be particularly used to verify (Stelmach, and Romański, 2007):

  - widely understood communication (including the ability to both conduct and sustain conversations),
  - the ability to motivate employees,
  - the ability to evoke sympathy in others,
  - the ability to make an impact on others,
  - the ability to analyse and synthesise information,

–   interpersonal sensitivity,

–   firmness and the pursuit of leadership.

As this method has been generating significant results, we should consider the conditions which should be created to perfect it and make it as objective as possible.

These are listed by A. K. Baczyńska and V. Wekselberg in their article entitled "Trudna sztuka assesmentu. Raport z wyników badania Instytutu Rozwoju Biznesu" ["The difficult art of assessment. A report on the results of a study carried out by the Institute for Business Development"]:

–   Behavioural classification – any behaviours which were observed in DC participants should be grouped into clear, unambiguous categories.

–   Comprehensiveness of the assessment – guaranteed by a combination of various assessment techniques.

–   Professionalism of assessors, who should take a series of trainings and, what is important, reach a level specified by the "guidelines and ethical rules for applying an assessment centre".

–   Validation – verification of the effectiveness of the method.

The DC will only be effective if a series of requirements is fulfilled, including if professional tools adapted to the specific nature of the company and the position in question are applied. Guidelines and Ethical Considerations for Assessment Centre Operations provides important recommendations for designing DC sessions. The document was written and has been updated by the International Task Force on Assessment Centre Guidelines (Winczo-Gasik, 2012). This document precisely lists the conditions which should be ensured to effectively conduct a DC process, and it also outlines its methodology. The case study presented in a subsequent part of this article is based on the Guidelines and Ethical Considerations for Assessment Centre Operations and indicates that competences are generally revealed in action, which is why they should be measured by observing specific, single, precisely selected and described behaviours – behavioural indicators. The entire DC procedure described in an example below is based on an assumption that its effectiveness relies on a standardised assessment of behaviour, substantiated by data collected from other sources.

4. An example of the practical use of the DC to assess the competences of the management staff

The following example shows how to use the Development Centre methodology by a large production organisation, where the number of employees amounts to 850.

The general interest in the Development Centre (DC) method and its implementation as a regular method to assess management competences stems from a conviction of the HR department that the method provides reliable information about employees.

The HR department convinced the management to implement its idea, i.e. to support developmental processes applicable to top management based on the conclusions of the DC assessment. What is more, the department proposed to carry out regular DC sessions once a year, thus obtaining a comprehensive diagnosis of key competences, as well as quantitative and qualitative feedback on the competences assessed, which could be used to update the company's development plans and set optimal development paths.

To be organised annually, DC processes dedicated to top management require, among others, a specific budget and dedicated staff. The HR department includes a three-member assessor team which obtained a license to carry out sessions as part of certification training. The team is sometimes supported by external assessors, in order to to increase the objectivism of the DC assessment. Internal assessors assume that the presence of at least one external assessor raises the rank of the entire process and motivates the participants. They base this conviction on the results of DC process evaluation, carried out after completing each assessment process. Evaluation consists of an interview carried out with the participants and verifies how the entire process contributes to achieving DC objectives. The purpose of this evaluation is to verify, among others, the level of understanding of the criteria used to assess the participants, the understanding of instructions provided by the assessors during sessions or the form of feedback provided by the external assessor. Conclusions from this evaluation are then used to make improvements in future processes.

After three DC assessment processes, the HR department has developed its own methodology. Individual stages of this process are listed below:

1) **Defining the objective and key competences**

Preparing for a DC session, the team of assessors analyses the tasks which are handled day-to-day by the participants – particularly any innovation implemented in the company in the last year. The team takes into account the strategic objectives of the organisation and selects competences to match the tasks performed and the culture of the organisation. Three years ago, the most important competences were: being goal-oriented, motivating to action, interpersonal communication, problem-solving and decision-making skills. Successive processes brought changes to this area, and current DC areas focus on diagnosing other competences which stem from current needs.

2) **Developing behavioural indicators**

For the purposes of each DC process, the HR team selects a group of competences and assigns behavioural indicators to them. Throughout the years, the team of assessors has developed the definitions of competences and examples of behavioural indicators. Furthermore, whenever needed, new definitions and indicators are created efficiently, in correlation with those which are already applied.

3) Verifying the level of competence acquisition

Even if a decision is made not to change any of the past competences and to assess the same competences as during the last DC process, the level of acquisition of these competences should be analysed, and the adequacy of behavioural indicators should be considered (whether it will be possible for them to appear with a given set of tasks).

Creating behavioural indicators, assessors describe each competence in the form of behaviours at levels from 1 to 5, where level 3 means that the employee has fulfilled all requirements attributed to a specific competence. Level 4 is reserved for those who stand out for the behaviours described, whereas level 5 can be set as the target to pursue in perfecting one's skills. The determination of competence levels is presented in Table 1.

Table 1.
Designation of competence levels

Level 1	The competence has not been acquired. No behaviours indicating the acquisition of a competence or its applications in activities performed.
Level 2	The competence has been acquired at a basic level. It is applied in an irregular manner. Active supervision and supervision of more experienced personnel is required.
Level 3	The competence has been acquired at a satisfactory level, which means that it can be practically used in the performance of one's professional tasks.
Level 4	The competence has been acquired at a proficient level, which means that one is highly skilled in specific tasks and is capable of sharing their experiences with others.
Level 5	The competence has been acquired at a fluent level, which means that it can be used creatively, including to broaden knowledge and develop skills and standpoints in a specific area.

Source: own study.

4) Developing competence profiles

Managers are usually expected to acquire competences at level 3 or 4. Adopting the five-level scale, this means that a competence should be acquired at a satisfactory level, by which it should be independently and practically used in the performance of one's professional tasks, or at a proficient level, by which it should be used to complete tasks from a specific area, allowing the employee to share their experiences with others. Figure 1 presents a competence profile, in which the levels of individual competences are graphically illustrated, considering their acquisition levels in a management position. Five competences were taken into account, as assessed during the last DC session:

- Being goal-oriented (consistent in action, committed, optimised in the selection of resources) – acquisition level 4.
- Personal effectiveness (self-control, self-confidence, a sense of agency, positive attitude, building one's own reliability, resilience to stress) – acquisition level 3.
- Interpersonal communication (passing information, exerting impact, actively listening and socialising) – acquisition level 4.
- Problem solving and decision making (openness to new solutions, broad horizons, courage, the will to take responsibility, initiative, acting fast and efficiently) – acquisition level 3.
- Team work (cooperation, delegating tasks, resolving conflicts, spotting human potential, motivating others) – acquisition level 4.

Depending on the DC objective, the assessors select the competences and behavioural indicators to be assessed. The competences and indicators described above have been developed for the purposes of the last DC process in the organisation and were selected basing on the organisation's current needs.
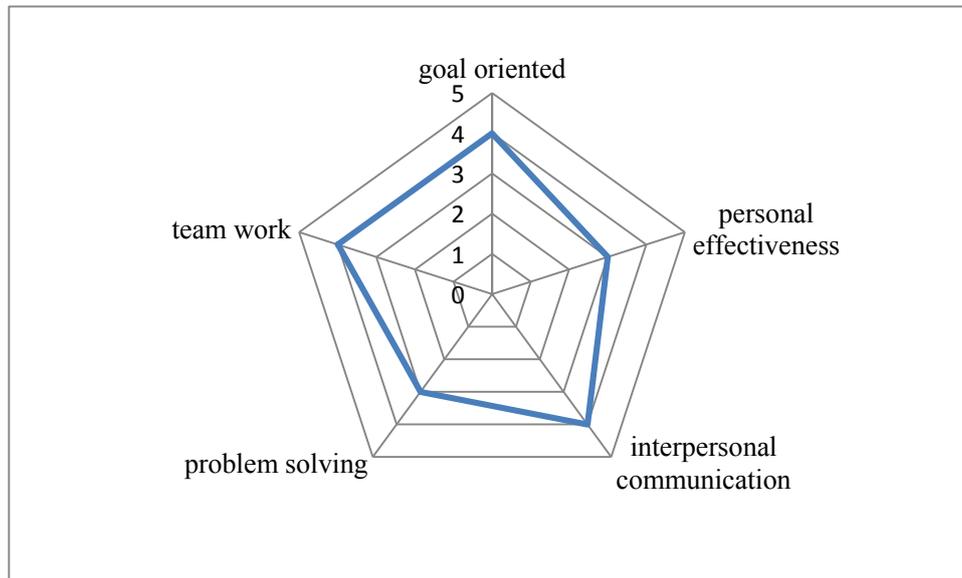

Figure 1. Competence profile. Source: own study.

5) Developing assessment sheets

Assessment sheets are (developed) templates used to record changes in competences and behavioural indicators. The sheets themselves may slightly change. After three DCs, the assessors proposed changes to help them take notes during individual sessions.

6) Preparing all assessors

Before each session, all assessors meet to approve the competences, their decisions and behavioural indicators. A preliminary schedule of the session is presented and then discussed in detail. In general, various tools are used in the DC process, including: behavioural stimulations, group and individual exercises, oral and written tasks, behavioural interviews, as well as psychometric methods, aptitude tests or professional personality questionnaires. To ensure a more comprehensive measurement of skills and to increase the objectivity of assessment, the assessors select diverse research methods. Due to the fact that tasks which reflect the real problems of the organisation which are handled by the managers on a daily basis are preferred, a principle was adopted that any tasks prepared for the purposes of the DC will thematically match the industry in which the company operates. Internal assessors provide substantial assistance in constructing these tasks. During the meeting, the assessors also discuss the method of grading behaviour assessments, and each assessor learns the assessment scale.

As a result, the assessors create a scenario for the session, and all comments pertaining to the indicators or the scale are updated and included in observation sheets.

7) Preparing the session

This stage includes all activities aimed at: preparing tasks and gathering the necessary props, selecting the location and the date, checking if assessors are available and notifying the participants of a planned session.

8) Development Centre session

The session itself is only a fragment of the entire assessment process. During a session, supervised by assessors, participants carry out a series of tasks and exercises. The success or failure of a session will be determined by its preparation. A well-prepared session is always preceded by a series of preparatory measures aiming at minimising subjectivity and bias. Attention should be paid to:

- applying diverse research tools, e.g. conversation simulations, group tasks, case studies, tests, presentation tasks,
- adopting various assessment criteria and describe competences through specific behaviours and behavioural indicators,
- ensuring that the multiplicity of assessments provides exhaustive evidence so that each competence can be observed and assessed in several forms, adequate to the task at hand.
- optimising the number of observers who can switch to ensure that different people are assessed by different assessors.

A principle was adopted that no more than two session participants can be assessed by a single assessor.

9) Consolidating the results

Immediately after a DC session is over, the assessors meet to discuss its course and carry out preliminary assessments of the participants' competences.

10) Drawing up reports

The assessors draw up individual quantitative and qualitative reports.

11) Giving feedback to the participants

According to a principle adopted in the company, feedback is given to the participants within 14 days following the DC session. This is to improve communication between the parties and enable references to specific examples which are fresh in the memory of the participant and the assessor. The external assessor is responsible for discussing the participant's individual results, focusing on their strong points and areas which require improvement. Feedback is given in the presence of the assessor/external assessors.

12) Preparing a development plan

A competence development plan including the recommended trainings and possible personal coaching sessions is prepared on the basis of DC results.

Designing custom development programmes based on the DC indicates that the company builds its image as an organisation which cares for its human resources. Most importantly, the management recognises these endeavours, understands their purpose and eagerly participates in all activities.

5. Conclusions

Personnel competence assessment is an important process in so-called knowledge organisations. Conducted in a constructive manner, based on a professional methodology, the process can be highly motivating, as it both distinguishes the key employees and provides grounds for future development by signalling certain shortcomings.

Therefore, the selection of the competence assessment method is very important. As indicated in the article, the DC is a very helpful and useful tool in this area. On the one hand, it allows for objective verification, and on the other, it determines the plan for further development.

The DC process is highly effective only if it has been carried out in accordance with the applicable principles of reliability and objectivity. The very fact that the organisation invests in modern methods of competence verification builds a positive image of the company as a stable employer investing in the staff, which makes it more credible inside and outside the organisation.

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