



# The Role of Psychological Testing As an Effort to Improve Employee Competency

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## ABSTRACT

**Objective** – Psychological testing and assessment is used to obtain suitable candidates with the ability to achieve the needs of organisations. The purpose of this qualitative study is to evaluate the results of psychological testing as an effort to improve employee competency.

**Methodology/Technique** – This study examines 175 samples from psychological testing reports by psychologists in providing competencies assessments of each potential employee applying for the position of customer service and teller in a State-owned Bank in the Kalimantan area.

**Findings** –The results show that to obtain competent employees, they must meet the standards set by the organisation. Competencies must be future oriented and are not a mechanism for reciting the past, so it is important for organisations to obtain a list of competencies that fit their needs. The results suggest that an organisation does not merely receive a list of competencies from the consultant (psychologist; practitioner and human resources department), but rather organizations should obtain a list of competencies that are personalised to their environment. This finding indicates that competencies are interrelated and do not stand alone. Since competencies are a behavioural approach to emotional, social, and cognitive intelligence, this integrated concept offers more than a comfortable framework for describing humanity as a whole. This suggests that to develop employee competencies characteristics associated with successful performance, organizations and practitioners must exhibit the patterns of behaviour that can be observed and make a positive difference to others.

**Novelty** –It is important to realize that there are a number of characteristics that may not have a direct impact on performance, but which may be an important determinant of the success of the employee.

**Type of Paper:** Empirical.

**Keywords:** Psychological Testing; Competencies; Successful Performances; Business Value.

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## 1. Introduction

Psychological testing is a very important part in the measurement of the individual, especially in the process of recruitment and selection of employees.

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This is not only related to matters that are clinical; psychological testing is also used in the scope of work. Psychological testing is used as a tool to explore the attributes of individual psychology that are needed in diverse spaces of human life. Psychological testing includes testing of cognitive ability and situational tests, as well as objective and projective personality testing. Periodic psychological testing also aims to identify the performance or effectiveness of a workplace. Indonesia has a particularly high population and is a golden opportunity for every individual involved in the world of psychology (Suwartono & Santoso, 2016). Psychological testing can be used to identify individuals who are better suited to management roles in organisations in Indonesia. However, observation or interviews are not enough to achieve this result. What is needed is a test that aims to identify individuals who have the potential to meet the existing criteria. Psychological testing tools that can also be used to predict a person's ability. Indonesia must have a psychological testing tools that can support and improve candidate's competitiveness and quality. One contribution that can be made by the community of psychology activists is renewing, adapting, or even creating valid and reliable psychological testing tools.

Anastasi and Urbina (1997) explain that psychological testing is a measuring tool that has objective standards so that it can be widely used, and can be used and compare the psychological state of a person or an individual's behaviour. Measurement using psychological testing in employee recruitment and selection is important since it is considered as an objective standardized method, and has a level of reliability and validity in measurement. Seeing the importance of psychological testing in the process of assessing human resource needs, it is necessary to conduct an effective and comprehensive psychological test. The purpose of conducting psychological tests is to identify potential candidates who are suitable to the required positions. Comprehensive selection needs can provide an objective measurement of individual competence in accordance with competency standards relevant to the needs of the position. Potential employee candidates certainly have a positive correlation to be able to achieve high performance in their positions. However, in general terms, psychological testing tools are an inseparable part of examining an individual's psychological condition. This process is better known as psychological assessment. Psychological tests or assessment is a series of activities carried out by many psychologists in society for various purposes. In the industrial and organizational world, psychological examinations are generally carried out for the purposes of selection, employee placement, and promotion of position (Groth-Marnat, 2009).

A complete psychological test or assessment generally involves several steps, including interviews, observations, and the provision of psychological tests that are relevant to the problem. The purpose of this evaluation is to obtain an adequate result of psychological tests. In this study, the psychological tests used include: intelligence or cognitive tests, work ability tests, personality tests, observations, and individual interviews. Based on competency dictionary, these tests are grouped in two competencies, namely: core competence and personal competence. Each competency has a default value that has been determined in accordance with the dictionary. In the current competitive business environment, it is imperative for organizations to hire the most competent employees (Johnson & Kleiner, 2000). Many factors will contribute to business success, but in the end, all of the achievement of the organization is the achievement of its human resources. When an organization is aware of the need for qualified employees, it will apply many methods to obtain and retain the best employees. Testing of employees before and after employment is commonplace in the business world. Psychological tests are used to measure a person's mental abilities, talents, intelligence, or personality. There is nearly 100 years of research in the development of psychological tests that measure the ability and personality of an individual in the context of clinical issues, education, industry and organizations to facilitate decision-making, especially in the selection of employees.

This paper aims to evaluate psychological testing results that use person-based evaluation approaches which is consistent with the underlying rationale with skill-based wages: that potential is an important organizational asset. Having a deep set of skills means that an organization will have individuals whose competencies include innovation and flexibility. However, there is a negative side that must be considered; competency-based assessment requires great confidence in the potential of human resources. Broad

characteristics (such as overall intelligence characteristics, work abilities, and personality) are needed for organizations to develop broad potential. Through this development, certain other competencies may be needed by the organization and, based on behavioural approaches described by Spencer and Spencer (2008), those competences include: motives, traits, self-concepts, attitudes or values, content knowledge, or cognitive or behavioural skills. It can be said that every individual characteristic can be measured or calculated reliably and can be shown to differentiate significantly between individuals of superior and average, or between individuals working effectively and ineffective.

This study contributes to the existing literature by providing insight into the importance of competence as the basic foundation of individual characteristics which indicates how to behave or think. Knowledge in competency for the organization will help set the standards that suit their needs and determine the extent to which employees can contribute optimally to an organisation. These findings also demonstrate the important role of competence in the recruitment and selection process. Competence can increase motivation and performance in achieving corporate goals. High employee performance is the result of interactions between competencies, motivation, and supporting resource opportunities. Further, high competence will affect the performance of an employee. This is a very important consideration for organisation to choose the right employees to achieve the organisation's goals.

## **1. Literature Review**

### **1.1. Psychological Testing**

Kaplan and Saccuzzo (2017) state that "the test and measurement have a goal to reflect some aspect of the world. It is expected that the test will reflect the individual nature of where these tests are used ". Psychological testing is based on a small number of instruments commonly used and recommended by professionals and practitioners. The test is used to measure behaviour objectively. Psychological testing focuses on 3 elements:

- objectivity: that is, at least theoretically, most aspects of the test, such as how the test is assessed and how the score is interpreted, are not a function of the subjective decision of a particular assessor but are based on objective criteria;

- standardization: that is, no matter who organizes, evaluates, and interprets the tests, there is uniformity in those procedures; and

- behavioural examples: the tests are not psychological X-rays, nor do they need to reveal hidden conflicts and illicit desires; it is an example of someone's behaviour, which is ideally a representative sample from which we can draw some conclusions and hypotheses.

Psychological tests can take various forms. Some of those include: true-false inventory, rating scale, actual tests, and questionnaires. Some tests consist of material such as ink dots or images that the subject must respond to verbally; others consist of objects such as blocks or puzzle pieces that the subject can manipulate. A large number of psychological tests involve a series of printed items that require some type of written response (see, Camara, Nathan & Puente, 2000; Domino & Domino, 2006; Loewenthal & Lewis, 2018).

Psychological testing is a narrow concept that refers to the psychometric aspects of a test (technical information about the test), the actual administration and scoring of the test, and the interpretation of the score. Typically, psychologists as assessors will interview clients who aim to obtain background information to determine the feasibility and suitability of the information about the client (Meyer, Finn & Eyde et. al., 2001). Miller and Lovler (2018) state that psychological testing is an important component of the overall assessment of an individual for various purposes, but it is not the sole component of assessment. Many previous researchers identified the use of psychological tests in 4 categories: classification, self-understanding, program evaluation, and scientific inquiry. Classification will usually involve a decision that certain people fall into a particular category. In addition, another goal of psychological testing is program

evaluation which involves the use of tests to assess whether the program or action taken by the organization has been effective or requires further improvement. Program evaluation will usually involve evaluating climate, values, and culture within the organization. Tests are used for various purposes and can be classified in a more general category (Domino & Domino, 2006). On the other hand, in line with Rubin and Chisnell (2008), psychological testing is usually made for group administration which is user friendly and requires minimal training.

Overall, psychological testing is a measurement method that provides objective and standard ways to predict future behaviour based on a sample of current behaviour (Miller & Lovler, 2018). Samples of current behaviour can be obtained through the stimulation of the test itself or can be naturally occurring behaviour. Lowenthal and Lewis (2018) describe psychological tests as based on content, format, administrative procedures, and predictive power. The term format in the testing context refers to the rules of procedure required to be followed while using the test. Most empirical studies conclude that psychological tests are a tool or procedure designed for assessing the psychological traits of an individual in a standardized manner by obtaining a sample of their behaviour. The purpose might be description of current behaviour or prediction of future behaviour. The term testing is often employed to describe anything or everything comprising development of psychological tests, administration, scoring, interpretation and report preparation, based on a psychological test. While psychological testing is an inclusive term to denote one or all of the above, it is important to distinguish it from another more inclusive term: assessment. Testing and assessment are two terms that are often used in conjunction with each other and may also be used synonymously, not only in lay parlance, but also by certain academics and professionals. This concludes that psychological tests are used to offer formal way to measure the nature, feelings, beliefs, and abilities that can cause people problems. Some tests assess for certain conditions, such as depression, anxiety, anger control, or susceptibility to stress. Hence, this study aims to evaluate the results as one of the efforts in improving the effect of competencies on employees and organizations to obtain the best candidates who will contribute optimally to the organisation's goals.

## 1.2. Competencies

The word "competence" appears in individuals who are not aware of the areas of human resources job. The catalyst for the user is using the book by McClelland and Boyatzis (1982), entitled "The Competent Manager". Meanwhile, Boyatzis broadly defines competence as "the basic characteristics of a person". It could be a "motive, trait, skill, aspect of one's self-image or social role, or a body of knowledge that he uses". Maduka, et. al. (2018) define competence as "the knowledge, skills and qualities of effective managers or leaders". It can be summarized that; competence is a real behavioural dimension that enables a person to perform competent actions. This means that individuals must have the ability and desire to behave in a competent way. For example, people who are competent in customer service will need competencies that include listening. In turn, that includes knowing how to listen and choosing to listen. Whereas a competent person as a teller will need competence which includes a focus on all the elements that are customer needs. More generally, people will only produce competent actions in situations if they know how and if they value the consequences of the expected results (Reis et. al., 2018).

Competencies are focused on the general level, where there is no difference between very good competency dimensions so that they may be intellectually satisfying, but lack the use of practical values. This is very important when applying competency lists to assessment procedures. Thornton et. al. (2019) show that the accuracy used by assessors to classify and value people decreases as the number of dimensions increases. They suggest that between 3 and 6 dimensions are needed because this is the maximum amount that can, in practice, be used by people in reaching decisions. In their support, Russell (1985), in Dipboye and Dipboye (2018) show that ratings of evaluators on 18 dimensions can be grouped into 4 factors, the most important of which are interpersonal and problem-solving skills. Competencies must be spoken in simple language and reflect the goals of the organization. This will reflect the prevailing culture. For example, for

several banks in Indonesia, Paradi, Sherman and Tam (2018) explain how important it is that "the jargon used can be accepted by non-personnel staff and also helps to inform people about the concepts used throughout the organization". Further, the title of the competency dimension must be supported by the behaviours that make up the dimension. The competency dimension is obtained by identifying behaviours, grouping those behaviours, and giving appropriate labels to the group.

Moreover, dimensions in competency should not be discrete, meaning that spreading indicators across dimensions will cause ambiguity when the assessment procedure is applied. The intended acid test is to put yourself in the shoes of the evaluator and imagine that you have seen a piece of behaviour. Will it be clear what competencies are in each individual? The dimension list must be future-orientated, and must not be based entirely in the past. We must get the best estimate in the future and what is needed by individuals and organizations. A system rooted in the past risks losing the change in competencies required by changes in the organization and its environment. It is important for organizations to keep a list of competencies that is constantly reviewed, to ensure they continue to reflect the needs of the company (Collins & Porras, 1996).

Therefore, competence is related to the behaviours that people need to display to do work effectively (e.g. sensitivity) and not to the job itself (e.g. staff management) (Pope, Reynolds & Mueller, 2019). The work itself consists of a series of work results, outputs or roles, each of which requires a number of individual competencies. Some competency lists confuse these two things by compiling what people have to be able to do with what they need to do effectively. The result is a series of competency dimensions that do not depict the truth. This will cause problems when the list of competencies is used by the organization. It can be concluded that the different competency aspects of the job are based on an evaluation and development system. Competence is indeed the same as aspects of personality such as traits and motives, but the terms are not well understood and agreed upon so defining competencies tends to often be misinterpreted. Boyatzis and Boyatzis (2008) state that competency is a capability or ability. It is a set of related but different sets of behaviour organized around an underlying construct, which we call the "intent". The behaviours are alternate manifestations of the intent, as appropriate in various situations or times.

### **1.3. The Role of Psychological Testing**

The importance of competence for organizations cannot be overstated; in fact, competence can be the key to competitive advantage among other companies. For an organization to succeed in its mission, organizational competency must be in accordance with its' strategic intent. Without the competencies needed, even the absence of a strategy that is well conceptualized and well stated, it cannot be implemented and realized successfully. It is this competency that allows the concept of strategic intent to be operational. The concept of competence can be seen differently in an organization. From a strategic management perspective, Jøranli (2018) defines competency as a combination of resources and abilities. The combination of resources and abilities in an organization can be classified as core competencies when they are valuable, rare, difficult to imitate, and difficult to replace. Thus, core competencies can be a source of strategic competitiveness. For illustration, in one of the state-owned banks, when recruiting and selecting cashiers and customer services, there are some core competencies that need to be possessed by prospective employees. This core competency will be a key concept in competitive strategy compared to other banks. From a strategic perspective, competencies can be functions, processes, and routines within an organization.

Gibb (1997) explains the role of competence in developing organizational competitiveness which is broadly classified in 2 categories: personal and corporate. Personal competence is owned by individuals and includes characteristics such as knowledge, skills, abilities, experience, and personality. Company competencies are inherent processes and structures that tend to be within an organization, even when individuals are no longer in the organization. Both of these categories are not entirely independent. The gathering of personal competencies can shape the way things are done or the culture that becomes embedded in the organization. In addition, company characteristics can determine the type of personal competence that is most suitable for work or is suitable in an organization. Competence has developed into a central concept

in the field of human resource management. From an HRM perspective, competence is seen as the ability of people. It is necessary to examine the construct that must be measured by the test and then examine how the test approaches this construct (Luciano et. al., 2018). This information can usually be found in the test manual. If for any reason the information in this manual is insufficient, the practitioner must look for it elsewhere. This is done to obtain useful information about the construct being measured by carefully studying the test items. Typically, the manual provides an individual analysis of the items, which can help potential test users evaluate whether they are relevant to the properties being measured.

## **2. Research Methodology**

### **2.1. Data and Sample Collection**

Quantitative research can be defined as research that explains phenomena according to numerical data which are analysed by means of mathematically-based methods, especially statistics. From a broader perspective, it can be defined as a type of empirical research into a social phenomenon or human problem, testing a theory consisting of variables which are measured with numbers and analysed with statistics in order to determine if the theory explains or predicts phenomena of interest (Gay & Airasian, 2000; Yilmaz, 2013). Some researchers warn that “if you assume a positivist approach to your study, then it is your belief that you are independent of your research and your research can be purely objective. Independent means that you maintain minimal interaction with your research participants when carrying out your research.” In other words, studies with a positivist paradigm are based purely on facts and consider the world to be external and objective. Quantitative data may be measured using 1 of 4 measurement scales, and it is important to be aware of the measurement scale that applies to data before commencing any data description or analysis. The measurement scale used in this study is an ordinal scale. The ordinal scale uses numbers to rank responses according to some criterion, but has no unit of measurement (Sermeus & Delesie, 1996). In this scale, numbers are used to represent "more than" or "less than" measurements, such as preferences or rankings.

In this study, the instrument used was 175 psychological testing reports by psychologists in providing competency assessments of each potential employee applying for the position as customer service and teller in a State-owned Banks in the Kalimantan Area. The results of this examination were obtained from the results of general intelligence tests, work ability tests, personality tests, observations during the focus group discussion, and interviews. In the psychological examination report, core competencies and personal competencies are compiled based on the Spencer and Spencer (2008) competency dictionary and also look at organizational needs. The scale was arranged specifically based on the competency dictionary. An explanation scale as follows: the competencies to be assessed are achievement orientation, then the explanation behaviour indicator in this competency is as follows, level 0 scale (N/A) is focused on the tasks given by giving effort and average achievement is not accompanied by the value to start new tasks and ways of working without instructions. The level 1 scale is motivated to do work in a better way, where individuals will have the initiative and show a desire to achieve a minimum standard of work that is set so that work is faster, more efficient, etc. The level 2 scale is must try to match the performance standards set by management (for example: adjusting the budget, quality requirements, etc.). The level 3 scale is that individuals must be able to set their own performance measures without guidance from management so that they try to always target jobs better even though they have not dared to target work on challenging matters without performance guidelines. The level 4 scale is that individuals continue to strive to improve performance so that in setting targets they will continue to improve over time. The level 5 scale is that individuals challenge themselves to determine an action taking into reason and facing the risks.

## 2.2. Method of Data Analysis

The analysis technique used is a descriptive analysis. Salkind and Frey (2019) state that descriptive statistics are used to describe the basic features of data in a study. We provide a simple quantitative sample and its steps. Together with simple graph analysis, this forms the basis of any quantitative data analysis. Descriptive statistics are different from inferential statistics. With descriptive statistics, we only describe what is displayed or what is shown by our data. As is well known that with inferential statistics, other researchers will try to reach conclusions that go beyond the immediate data. However, in our study we used descriptive statistics to illustrate what happened in our data. The descriptive statistics that we use are to present quantitative descriptions in a manageable form. Descriptive statistics help us simplify large amounts of data in a way that makes sense. Each descriptive statistic reduces a lot of data to a simpler summary. The data obtained in this study will be analysed using regression analysis using IBM SPSS (Statistics for the social sciences) for Mac version 26.0.

## 3. Results and Discussion

Here we describe the results of our research using descriptive analysis. Table 1 shows the 175 samples detail based on the competency dictionary by Spencer and Spencer (1993):

Table 1. Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
QO	175	0	3	1.28	.631
AO	175	0	3	1.01	.802
CF	175	0	3	1.09	.628
TW	175	0	3	.91	.672
BT	175	0	3	1.10	.607
CI	175	0	3	.89	.718
IN	175	0	3	.70	.745
COM	175	0	3	1.15	.776
RB	175	0	3	.95	.623
ATD	175	0	3	1.16	.585
Valid N (listwise)	175				

Table 1 shows the results of descriptive analysis estimations of mean score. Further explained, the mean score of quality orientation (QO) is 1.28 which means that individuals are sufficiently capable of managing work using standards, procedures, and rules. However, individuals tend not to be active in pushing themselves to ensure or reduce uncertainty, especially related to the assignment, quality and accuracy or accuracy of work results and information obtained. They are still fixated on the instructions or ways to work that they emulated from co-workers. The mean score of achievement orientation (AO) is 1.01 which means the individual still has the motivation to do their job a better way. They have the initiative and show a minimum or average desire in achieving work standards. They attempted to try to carry out the work properly or correctly, for example, want to find ways of working faster, more efficient, less expensive, and so on. However, the customer service and tellers position should at least be in the stages of being able to work to achieve a standard of performance of the highest quality set by the management. When they do not motivate themselves to produce the best performance, this may affect their focus on organization and more specifically on their customer. Competence will have a big influence as seen later on the position holder if they are already at level 3 and above.

Meanwhile, the mean score for customer focus (CF) is 1.09 which means the customer service and tellers will follow up on the needs, demands, and complaints of consumers. Keeping consumers aware of the latest

developments in the products or services offered by the company. However, it is not yet in the stage of searching for the root problems faced by consumers. They should be responsive to customer needs and not make customers think of moving to another bank that will harm the organization. The mean score of teamwork (TW) is .91. Teamwork is the drive or ability to cooperate with others or urge or ability to be part of a team in executing a task. However, in this competency the value obtained means that they tend to be individuals who passively, not actively, participate or do not participate in groups. While working in the banking sector, everybody should be working on their own. If one of them experiences difficulties, then one or the other members are able to share information that is relevant to the other.

Further, the mean score for building trust (BT) is 1.10. Building trust demonstrates consistency in keeping commitments that have been agreed, remaining open to ideas and information of others, as well as supporting others. The mean score of 1.10 in competency dictionary can be interpreted as being sufficiently capable of expressing detailed instructions to other colleagues, and/or demonstrating a way to carry out the task. They will tell their colleagues how to do the job and provide help if their colleague has difficulty completing work. In addition, they should also be able to provide feedback that involves positive logic as the purpose of development to others. The mean score of continuous improvement (CI) is .89. That is the scale of this individual level is still less active in seeking learning opportunities, he is still limiting himself in the following activities to improve their skills so that when engaged in an occupation or development activities tend unchanged. In fact, human behaviour is a set of behaviours that of humans and influenced by the customs, attitudes, emotions, values, ethics, power, persuasion, and / or genetics. It is a reasonable action if they transformed themselves into a better way. According to Bloom (1956), there are 3 aspects that can change human behaviour, namely: knowledge about themselves and their environment, attitude or response to an incident, and the actions that humans will behave positively if it is fun and bring kindness to him, and vice versa.

The mean score of initiative (INT) is .70. The definition of the initiative is the urge to act to exceed the required or demanded by the job / environment, doing something without waiting for orders. These actions are taken to correct or improve the results of the work or avoid problems or create new opportunities. In this study, the results show that they belong to individuals who tend to give up. They are less aware of opportunities that exist so that the performance shown is below the average expected by job. They expect continuous supervision in performing the task. The mean score of communication (COM) is 1.15. In this study, the meaning of communication is the ability to communicate information and ideas clearly through a wide variety of media and different forms of interaction to an individual or group, including adjusting the communication style and content of the message, to help others to understand the messages conveyed, and able to influence to change or adjust the attitude, behaviour and commitment. At the level of score 1 means that they have been able to express their desires but have not taken specific actions in achieving their goals. Stating their desire to see that the actions taken have certain effects or impacts which can have an effect on reputation, status, and good personal appearance, seen by colleagues, leaders, or customers.

The mean score of relationship building (RB) is .95. The definition of relationship building within the scope of work is the amount of effort shown in establishing and maintaining social relationships or networks of social relations in order to stay warm and familiar. In this study, the results obtained mean that they tend to show individualist attitudes. They still need practice in establishing networking and developing good relationships, showing reciprocity and warmth, within the scope of work as well as their social and personal lives. The attitudes shown tend to be less respect and the dignity of others or themselves. They also tend to show of no confidence and find it difficult to adjust their interpersonal style when they are dealing with people from different backgrounds. It is necessary to increase the ability to adapt, among others, with colleagues, needs, and demands in the work environment. The mean score of attention to detail (ATD) is 1.16. As employees will be on duty to serve customers, they need to focus on all elements of a job, paying attention to accurate and careful in detail the work to reduce the number of errors. They must consciously



always double-check for their own information or work accuracy. They must minimize mistakes so that customers' needs are properly met.

If we look further, the following correlations between competencies are described in this study using Pearson correlation, as follows:

Table 2. Correlations

		Correlations									
		QO	AO	CF	TW	BT	CI	IN	COM	RB	ATD
QO	Pearson Correlation	1	.459**	.283**	.332**	.389**	.299**	.313**	.357**	.237**	.454**
	Sig. (2-tailed)		.000	.000	.000	.000	.000	.000	.000	.002	.000
	N	175	175	175	175	175	175	175	175	175	175
AO	Pearson Correlation	.459**	1	.306**	.354**	.399**	.351**	.323**	.403**	.357**	.400**
	Sig. (2-tailed)	.000		.000	.000	.000	.000	.000	.000	.000	.000
	N	175	175	175	175	175	175	175	175	175	175
CF	Pearson Correlation	.283**	.306**	1	.388**	.352**	.215**	.317**	.431**	.481**	.289**
	Sig. (2-tailed)	.000	.000		.000	.000	.004	.000	.000	.000	.000
	N	175	175	175	175	175	175	175	175	175	175
TW	Pearson Correlation	.332**	.354**	.388**	1	.474**	.324**	.451**	.512**	.539**	.359**
	Sig. (2-tailed)	.000	.000	.000		.000	.000	.000	.000	.000	.000
	N	175	175	175	175	175	175	175	175	175	175
BT	Pearson Correlation	.389**	.399**	.352**	.474**	1	.304**	.411**	.430**	.422**	.407**
	Sig. (2-tailed)	.000	.000	.000	.000		.000	.000	.000	.000	.000
	N	175	175	175	175	175	175	175	175	175	175
CI	Pearson Correlation	.299**	.351**	.215**	.324**	.304**	1	.549**	.393**	.284**	.345**
	Sig. (2-tailed)	.000	.000	.004	.000	.000		.000	.000	.000	.000
	N	175	175	175	175	175	175	175	175	175	175
IN	Pearson Correlation	.313**	.323**	.317**	.451**	.411**	.549**	1	.507**	.305**	.374**
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000		.000	.000	.000
	N	175	175	175	175	175	175	175	175	175	175
COM	Pearson Correlation	.357**	.403**	.431**	.512**	.430**	.393**	.507**	1	.454**	.401**
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000	.000		.000	.000
	N	175	175	175	175	175	175	175	175	175	175
RB	Pearson Correlation	.237**	.357**	.481**	.539**	.422**	.284**	.305**	.454**	1	.430**
	Sig. (2-tailed)	.002	.000	.000	.000	.000	.000	.000	.000		.000
	N	175	175	175	175	175	175	175	175	175	175
ATD	Pearson Correlation	.454**	.400**	.289**	.359**	.407**	.345**	.374**	.401**	.430**	1
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000	.000	.000	.000	
	N	175	175	175	175	175	175	175	175	175	175
**. Correlation is significant at the 0.01 level (2-tailed).											

This shows that the competencies are interrelated. Quality orientation (QO) has a significant correlation at the 0.01 level (2-tailed) with achievement orientation (AO) with a score of .459 and a significant correlation at the 0.01 level (2-tailed) with attention to detail (ATD) with a score of .454. In ensuring that an individual can manage work using standards, procedures, and rules, they need to focus on managerial, professional, and technical standards. Quality, accuracy, timeliness, and cost need to be considered. They need to devise a strategy to reduce uncertainty in the surrounding environment, especially relating to work arrangements, instructions, information, data, and certainty in terms of order. To achieve this, the person concerned needs to set high performance standards and perfection standards for himself and others. They must have a high motivation for himself and others to excel, achieve and even exceed the goals or performance standards set.

They must also have the quality of focusing their attention on all elements of the work, and giving accurate and careful attention to the details of the work to reduce the number of errors.

Customer focus (CF) has a significant correlation with building trust (BT) that has a significance score of .352; communication with a significance score of .43; and relationship building (RB) with a significance score of .481. This means that other competencies that need to be possessed so that employees who provide services can work effectively and efficiently are the ability to build trust, communicate and build relationships with others. Furthermore, making external or internal customers and meeting their needs is the main focus of action, effectively meeting their needs, and developing and maintaining productive customer relationships based on mutual understanding. In developing this competency, individuals need to have other competencies such as, showing consistency in holding commitments that have been agreed specifically with customers, being open to ideas and information conveyed by others, and supporting others for mutual progress. In addition, continuous training is needed in conveying information and ideas clearly through various media variations and various forms of interaction to individuals or groups, including adjusting communication styles and message content. These people need to help other parties understand the message conveyed, and be able to influence to change or adjust attitudes, behaviour, and commitment. This competency applies in particular to services to customers. It also requires the ability to build networks and foster good relationships, reciprocity and warmth, within the scope of work as well as in their social and personal lives. The ability to appreciate and maintain the dignity of others or groups and yourself is supported by the ability to adjust interpersonal styles in dealing with people from various backgrounds can add business value to the company.

Teamwork (TW) competence also has a significant correlation with communication (COM) with a significance score of .512; and has a significant correlation with building trust (BT) with a significance score of .539. This means that in collaboration with other parties, it is also necessary to support competencies such as having an easy communication style to convey information and ideas clearly through various media variations and various forms of interaction to individuals or groups. They must also help the other party understand the message conveyed, and be able to influence the person to change or adjust attitudes, behaviours, and commitments as expected. On the other hand, he must also have a great effort to establish and foster social relationships or social relationship networks in order to stay warm and close with growing support or empathy.

Lastly, continuous improvement (CI) has a significant correlation with initiatives (IN) with a significance score of .549 and attention to detail (ATD) with a significance score of .345. This means that individuals who seek and apply new ways (ideas, solutions, methods) to improve their results and work processes will be continuous and effective improvements and involve changes in perspective in thinking. This includes trying different, new, and unusual (creative) ways that are done by others. They must also have initiative, where they will show initiative, take action swiftly, quickly, without waiting for orders to achieve the goals they have set. In addition, they need to have a good attention to detail where he needs to have a big push in him to ensure or reduce uncertainty, especially related to the assignment, quality and accuracy or accuracy of data and information in the workplace.

As we known, competencies approach for human resource management is not new. Boyatzis (2008) defines competence as capabilities or abilities. It is a set of related but different behaviour organized around an underlying construct, which we call the "intention". Behaviour is an alternative manifestation of intention, which is appropriate in different situations or time. For example, listening to someone and asking questions is a type of behaviour. A person may exhibit this behaviour because of various reasons or various intended purposes. Someone can ask questions and listen to someone to get other people's point of view about the individual. Or someone can ask questions and listen to someone because he is interested in understanding others, their priorities, or their thoughts in a situation. The latter is a demonstration of empathy. The underlying purpose is to determine how individuals can understand others. Meanwhile, the reasons

underlying these questions are to get a position or position or impact in the person's view, which is known as the demonstration of influence.

Likewise, the fundamental intent of finer competencies such as emotional self-awareness is self-insight and self-understanding. The construction of competencies that require action (i.e. a set of alternative behaviours) and intentions are called for measurement methods that allow for an assessment of both the existence of the behaviour and the conclusion of the intention. Modifications of critical incident interviews (Flanagan, 1954) were adapted using the order of inquiry from the Apperception Thematic Test and focus on specific events in one's life from the biodata method (Dailey, 1971). Then, the evaluation of informants through 360 degrees or assessment and simulation centres coded by reliable "experts" is very important. This is usually done as a behavioural approach to one's talents (Spencer & Spencer, 2008). Suleman (2017) defines competence as the use of a set of skills related to performance based on individual criteria. The use of the term was popularized in the competency "Competent Manager", which defines the word as an underlying characteristic of a person which may be associated with a motive, trait, skill, aspect of one's self-image or social role, or knowledge that they are using. Morgeson, Brannick, and Levine (2019) also define competence as a set of patterns of behaviour that should be taken by the incumbent to a position to perform its duties and functions with competence. Brown, George and Mehaffey-Kultgen (2018) describe competence as a success factor in the organization and profession of employees. For example, competence can be considered as factors that differentiate high-performing or lower-performing players in an organization. Similarly, Gümüşay and Bohné (2018) have recently defined competencies as whatever employees have or acquire that contribute to organizational success.

In summary, employee competence is a set of characteristics which associated with successful performance. These characteristics must describe themselves in observable behaviour patterns that make a positive difference with others. Competencies are grouped into 2 categories, namely core competencies and personal competencies. Both of these competencies must be possessed if the individual is in the position of customer service and tellers. It is important to recognize that there are a number of characteristics that may not have a direct impact on performance, but can be an important determinant of employee success. Research published over the past 30 years shows us that leaders, managers, advanced professionals and prominent people in key jobs, from customer service to sales to bank tellers (Boyatzis, 2008), seem to need 3 behavioural groups as threshold abilities (standard requires) and 3 groups of competencies as prominent differentiators related to performance.



Figure 1. Action theory and job performance: best fit (maximum performance, stimulation, and commitment) = areas of overlap or maximum integration)

Figure 1 displays the core competencies required in any workplace. The core competencies referred to in this study are, quality orientation, achievement orientation, customer focus, teamwork, building trust, and continuous improvement. Whereas personal competency is an individual competency. Like core competencies, personal competencies in achieving assessment standards are also adjusted to the needs of organization. The aspects assessed are initiative, communication, relationship building, and attention to detail. However, in this study there are some that exist in core competencies and personal competencies whose average value is still below the standard, i.e. teamwork ( $\mu = .91$ ); continuous improvement ( $\mu = .89$ ); initiative ( $\mu = .70$ ); and relationship building ( $\mu = .95$ ).

This means that competencies that are compiled based on organizational needs must be met according to the standard level of behaviour. Furthermore, it means that candidates follow the process of psychological tests may still not be feasible for the positions offered. Fundamentally, each competency will be aligned with a model for the work to be done. If a customer service and teller do not have the competency levels established by the organization such as teamwork, continuous improvement, initiative, and relationship building, then they will have difficulty in carrying out their duties. For example, it is known that individuals need to have the ability to work with others. If an individual has level 0 in this competency, it can be interpreted that he is a passive individual, tends to be neutral in giving his views and opinions, and is less willing to be involved. The indication is that the individual, even though in a small group in an informal situation with 3-8 people, their attitude tends to be less friendly, they tend to put forward their own ideas, and decide for themselves, even though in a group there needs to be a balanced contribution in achieving goals.

Likewise, with continuous improvement competencies, individuals should be active in looking for learning opportunities to improve their competence, and should not be limited to attending training organized by organizations only, but also can utilize information systems, colleagues, superiors, or experts in the environment to perform new tasks. However, in reality, with a level 0 in this competency, individuals are only fixated on the abilities they already have. They tend to be less active in utilizing the surrounding environment as a source of information and learning media. Though every employee is obliged to not only focus on one aspect of their ability. This tends to be detrimental and may inhibit an individual's progress within an organisation. On the other hand, for initiative competencies as it is known that there needs to be encouragement from the individual to not give up on a challenging job. There must be a consistent effort on the individual to overcome the things that are less clearly related to the task. In fact, with level 0 of this competency, the competency is still not optimal yet. When instructed to complete a new task, these individuals do not take advantage of the opportunities that have been provided by the organization. They only do the work according to the organisation's orders so that if something goes wrong there is no motivation to provide alternative solutions. The organization is considered to be carrying out continuous supervision of its work. Individuals who get assignments in customer service and tellers are required to work independently. The last illustration is relationship building competencies, because this competency will be related to other competencies, so individuals need to try to be able to establish social relationships so that the environment can display a warm and friendly attitude. Good customer service needs good social interaction, not only with colleagues but also with customers so that the organization will have more value in the development effort. However, in this competency the average level is still at 0, where social interaction tends to be considered merely a liability and not as a competency that must be developed. The need for good personal relationships will help in expanding the organization's business network.

As stated earlier, competencies are interrelated and do not stand alone. Competence is based on the needs of the organization. Competence is a behavioural approach to emotional, social, and cognitive intelligence. The integrated concept of emotional, social, and cognitive intelligence competencies offers more than a comfortable framework for describing humanity as a whole. However, the concept of competence offers a theoretical structure for understanding the relationship between individual and organizational personalities based on action theory and performance. In this study, competence describes the ability of individuals as a

whole. This will be adjusted to organizational needs. In order to get suitable candidates for customer and teller service positions, an objective competency assessment needs to be carried out in accordance with the theory and organizational environment.

#### 4. Conclusion

Maximum performance is believed to occur when one's abilities or talents are consistent with the needs of the work demands and organizational environment (Boyatzis, 1982). This applies when organizations want to attract candidates that are appropriate to their assessment and needs. Competency is more precisely based on the mission and future strategic direction of the organization. Ardito and Dangelico (2018) state that competence is linked to the strategic orientation of the organization's future. The future strategy of the organization will tend to drive competencies that are considered as core and important to the interests of the organization. Future strategies encourage competence, which in turn encourages recruitment, assessment, training and development activities. Thus, competence is considered to provide a means for organizations to prepare for their future direction. Furthermore, competencies connect the organization's future strategy with human resources, and provide a rational and general basis for the human resource management (HRM) function.

Individual-based competencies tend to offer very broad requirements that can drive recruitment and selection efforts. These general requirements may determine broad cognitive abilities and/or general personality characteristics. At the team level, individual-based competencies, depending on breadth, may be useful for developing roles in team structures. A list of competencies can add to the real value of assessment by looking into the future. The assessment team should not be based in the past. We must get the best estimate of the future and what is needed by the organization, and ensure that the list of competencies is continuously evaluated. Systems that are rooted in the past will risk losing changes in competencies required by changes in the organization and its environment. The key point is that competence is a behavioural dimension associated with higher job performance. Competence is a way of behaving by some people who might be better than others. The reason for the difference in scores between each person at the level of competence lies in the past and may be more or less easily overcome. However, nature is not included among the reasons for this competency. Reality is just another name for the competency dimension. It is very important that the organization must ensure that its competency list is well researched and strong according to the organization's needs. However, sometimes, there are many organizations with lists that don't make sense.

Competence tends to be confused when related to the role of work. Other competencies tend to rely more on the present and the past to define competencies. Competency should be oriented toward the future and is not a mechanism to clone the past. It is also important that the organization does not merely obtain a list of competencies from the consultant (psychologist; practitioner; and human resource department) team. Organizations must try to get a list that is personalised to the environment. In addition, the results of this study contribute to the organization as a benchmark for employee development. This evaluation method can be used to improve the quality of employees who can contribute to the optimum operation of an organisation. This improves productivity, discipline, personality, and other things that can support the achievement of organizational goals.

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