

The Development of Human Resource Practitioner Competency Model Perceived by Malaysian Human Resource Practitioners and Consultants: A Structural Equation Modeling (SEM) Approach

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Abstract

The development of Human Resource (HR) competency models/frameworks is an area that has gained a great deal of interest over the years. Most of the notable HR competency models are developed in the USA and Europe. The aim of the study was to develop an empirically substantiated HR Practitioner Competency Model. The HR Practitioner Competency Model with significant competencies was developed through the administration of a self developed survey questionnaire administered to HR practitioners and HR consultants in Malaysia. The study undertaken is an extrapolation of the notable studies carried out primarily by Brewster *et al.* (2000), Brockbank and Ulrich (2003), and Ulrich *et al.* (2008). The competency domains in the generic/behavioural competency category, business competency category, and the technical HR competency category were analysed using exploratory factor analysis (EFA), confirmatory factor analysis (CFA), and structural equation modeling (SEM). Altogether 12 competency domains and 103 items were analysed. The competency categories significant in the study were the generic/behavioural competency category and the technical HR competency category. The business competency category was not significant in the study. The competency domains significant in the HR Practitioner Competency Model were: relationship building and process drivers; personal credibility and attributes; resourcing and talent management; and employee relations and compliance. Altogether 14 competency factors were significant in the study and these include process management, flexibility, information seeking, strong initiative, pride at work, pro-activeness, ability to change, leadership, organisation development, career planning, succession planning, human performance improvement, discipline, and occupational safety and health. The empirically tested HR Practitioner Competency Model was derived in a local Malaysian cultural setting and it will benefit the HR practitioners, HR consultants, HR communities of practice, the academia, organisations, and other related individuals.

Keywords: Human resource practitioner competency model, Generic/behavioural competency category, Technical HR competency category, Business competency category, Competency domains, Competency factors

1. Introduction

World wide socio-economic developments such as globalisation, increasing speed towards a service economy, shorter product life cycles, changes in workforce demographics, focus on customer loyalty, the increasing *war on talent*, and emphasis on financial performance challenges the human resource (HR) function in its role for creating added value to the organisation (Brockbank *et al.*, 2002; and Bucknall and Ohtaki, 2005). Traditionally, the function of human resource management (HRM) was operational and mainly focused on administrative tasks, developing and managing recruitment, carrying out performance appraisal, paying compensation and benefits to the employees, and handling staff welfare. Today, the function of HRM is more strategic as the HR plans and strategies are developed on a long term basis, considering likely changes in the society, industrial relations systems, economic conditions, legislation, global, and technological issues as well as new directions in business operations (Compton, 2009).

Ulrich (1997) in his book, *Human Resource Champions* challenged HR to shed its old myths, adapt new competencies, redefine its roles to focus on results, and evolve into a true profession that makes a difference for the organisations. The complex challenges faced by organisations and the strategic thinking on professionalism

of human resource over the past decade has somewhat led to the growing momentum on the development of HR competency models. Human resource competency models can assist in refocusing and revitalising the HR profession and the workforce. According to Bernthall *et al.* (2004), competencies are the clusters of skills, knowledge, abilities, and behaviours required for job success. Palan (2003) asserts that the study of competencies is important for the organisations, employers, and performance. Organisations need competent people to achieve results efficiently and effectively. Organisations depend upon competent people to generate returns on investment on the use of physical and technological resources. Ulrich *et al.* (2008) asserts that HR professionals who possess the right HR competencies will be able to support their organisations to achieve the desired organisational goals and objectives.

The development of an HR Practitioner Competency Model is an area of interest to practitioners, researchers, academicians, employers, and consultants in HRM today. Studies carried out by Brewster *et al.* (2000), Budhwar and Debrah (2001), Hsu and Seat (2000), Brockbank and Ulrich (2003), Junaidah (2007), Choi and Wan Khairuzzaman (2008), Ulrich *et al.* (2008), and Caldwell (2010) show the importance of carrying out studies on HR competencies. The development of an HR Practitioner Competency Model can to an extent assist the HR practitioners to observe their new tasks and work dimensions and the competencies they are expected to acquire, and hence profess them. New models are necessary because the business world is changing at an unprecedented rate. The established HR Practitioner Competency Model sets out the competency categories with their corresponding competency domains and competency factors. The most notable studies are those that are carried out in particular by the Business School of the University of Michigan, USA. The empirical study carried out by the Business School of the University of Michigan, USA in collaboration with the RBL Group has been carried out consistently and the latest being that model established in 2007 (Ulrich *et al.*, 2008). A survey, too, was carried out by the Society for Human Resource Management on key competencies that HR professionals must possess (SHRM, 2010). Boxall and Dowling (1990), Khatri (1999), Nankervis *et al.* (1999), and Budhwar and Debrah (2001) assert that HR competency models/frameworks developed in the west may not be suitable in the east due to the different culture and diversity. There is very limited academic literature available on the development of HR Practitioner Competency Models. What has prompted this study is that currently there is a scarcity of complete empirically tested HR Practitioner Competency Models available in Malaysia. Although some attempts have been made by a few of the researchers in this area, the research carried out does not establish a complete model that HR practitioners can use in further professionalising the HR profession. It is important to study, research, and hence develop an HR Practitioner Competency Model for the HR and other communities of practice in Malaysia.

2. Conceptual Development to the Hypothesised Model

The study observes and analyses the competency factors which are the measured variables that are important to the HR practitioners in the industry. The list of competency factors set out in each of the competency categories are broad and covers a wide spectrum of knowledge, skills, and attributes. Competency factors were primarily selected from the studies carried out by Brewster *et al.* (2000); Brockbank and Ulrich (2003), Ulrich *et al.* (2008), and those offered by Spencer and Spencer (1993).

For the generic/ behavioural competency category, the four competency domains established were “leadership,” “building work relationship,” “personal credibility and attributes,” and “self-development.” For the business competency category, the four competency domains established were “entrepreneurial and business acumen,” “strategic orientation,” “customer orientation,” and “essential performance enablers.” And for the technical HR competency category, the four competency domains established were “resourcing and talent management,” “learning and development,” “rewards and performance management,” and “employee relations and compliance.” Competency domains that were significant formed the HR Practitioner Competency Model. The competency categories, competency domains, and the competency factors are set out in Table 1. Table 1 (conceptual/theoretical framework of study) below sets out the three competency categories with their respective competency domains, and competency factors.

Insert Table 1 - here

The study carried out is an empirical study and it was limited to the development of the HR Practitioner Competency Model for the management level of employees in the private sector. Management level employees refer to those who are Supervisors, Administrative Officers, Executives, Managers, Senior Managers, General Managers, Directors, etc. and those above in standing. The survey was restricted only to HR practitioners who were working in the private sector. Besides the HR practitioners, the survey, too, included HR consultants. Research framework of the study (i.e., the hypothesised model of the research) is given in Figure 1 below. The respondents for this study and the units of analysis were the HR practitioners and HR consultants.

Insert Figure 1 - here

In the study, the proposed HR Practitioner Competency Model comprised the three competency categories: generic/behavioural competency category, business competency category, and technical HR competency category. In the category of generic/behavioural competency, 30 competency factors were included in the survey. For the technical HR category of competencies, 25 competency factors were included in the survey. Altogether, 35 competency factors representing the business competencies category were included in the survey questionnaire. The research hypotheses of the study are given below:

- H1. The generic/behavioural competency category has a direct and positive relationship with the HR Practitioner Competency Model.
- H2. The business competency category has a direct and positive relationship with the HR Practitioner Competency Model.
- H3. The technical HR competency category has a direct and positive relationship with the HR Practitioner Competency Model.
- H4. HR practitioners and HR consultants have interactional effect with regards to the constructs of the generic/behavioural competency category and the HR Practitioner Competency Model.
- H5. HR practitioners and HR consultants have interactional effect with regards to the constructs of the business competency category and the HR Practitioner Competency Model.
- H6. HR practitioners and HR consultants have interactional effect with regards to the constructs of the technical HR competency category and the HR Practitioner Competency Model.
- H7. HR practitioners and HR consultants have interactional effect with regards to the constructs of the generic/behavioural competency category, the business competency category, the technical HR competency category, and the HR Practitioner Competency Model.

3. Methodology

A self-developed questionnaire was formulated mostly based on the studies carried out by Brewster *et al.* (2000); Brockbank and Ulrich (2003), and Ulrich *et al.* (2008). The questionnaires were prepared in English Language to avoid misleading and controversial interpretations. As English is the second language in Malaysia, and the language for business transactions, the researcher is confident that the respondents were familiar with the language. The questionnaires were mailed to all the HR practitioners. But for the HR consultants, the questionnaires were either mailed or personally handed to them. The study was triangulated based upon the data involving two different units of analysis: HR consultants and HR practitioners; and method employing two sets of survey questionnaires (i.e., one set for the HR practitioners and the other for the HR consultants). The list of organisations in Malaysia were obtained from a number of primary sources - directories of information including the Directory of Federation of Malaysian Manufacturers (FMM, 2007), Directory of Human Resources Development Council (HRDC, 2006) database of employers, and SMI Malaysia – Web Guide (SMI, 2006). Information, too, was obtained from secondary sources including the local newspapers including the STAR and New Straits Times edition published on Saturdays, yellow pages, and the internet. The local newspapers, too, are important as they generally include addresses of new organisations, or those that are not registered in the given directories.

The population for this study was limited only to the HR practitioners who were working in the manufacturing and services-based organisations in Malaysia. It, too, included the HR consultants who are providing service to the Malaysian or multi national corporations (MNCs) in Malaysia. After deleting duplicates and individuals with job roles and responsibilities that were not related to HR, a list of 3500 HR practitioners was compiled. Out of this population, a sample size of 1100 HR practitioners were selected through disproportionate stratified random sampling frame (Sekaran, 2003). Altogether 660 survey questionnaires which is equivalent to 60% of the total survey questionnaires were sent to the manufacturing sector, and the balance of 440 (i.e., 40%) were sent to the services sector. For the HR practitioners, they were chosen from medium scale and large organisations. But for the HR consultants, purposive sampling frame was used and the guidelines as prescribed by Sekaran (2003) and Cooper and Schindler (2003) were followed. Out of the 1100 survey questionnaires distributed to the HR practitioners in Malaysian organisations, a total of 369 responses were received within a period of five months. A total of 41 questionnaires had to be discarded due to gross incompleteness and inconsistencies. The mail surveys for the HR practitioners had managed to achieve approximately 34% rate of return which is the acceptable response rate as suggested by Sekaran (2003). But for the HR consultants, out of 100 survey questionnaires, a total of 52 responses were received. Altogether a total of 380 survey questionnaires were useable. This include both the HR practitioners and HR consultants.

Data were collected by means of a questionnaire containing altogether 103 items. All of the items were likert measurement items, and based on a scale. It ranged from “not important” to “very important.” For the three competency categories, the respondents’ perceptions were measured by way of a five - point likert interval scale based on the importance of the particular competency factor (i.e., measurement variable) in establishing the HR Practitioner Competency Model. Nominal scales were used to examine the profile of the respondents. Although the nominal scale is regarded as the least powerful measurement scale, nevertheless it provides some basic, categorical, and gross information (Sekaran, 2003).

The data were input into SPSS Windows version 18.00 software programme and analysed using AMOS package version 18.0. Several advanced statistical validity tests and analysis including composite reliability tests, validity tests using confirmatory factor analysis (CFA) for construct validity, discriminant validity for multicollinearity treatment using average variance extracted (AVE), descriptive analysis, correlation, and structural equation modeling (SEM) analysis using AMOS package version 18.0 were carried out. Confirmatory factor analysis and path analysis to verify the validity of the scales and structural relationships among exogenous, and endogenous variables, too, were carried out. The fundamental findings of the competency categories based on 2nd order analysis of latent construct measurement confirmed the domains of the competency categories as exogenous

variables in the hypothesised model (as given in Figure 1). The model was then used to test hypotheses and to confirm the interactional effects among variables in the hypothesised, generated, and the 1st Respecified model. In this study, multiple Goodness-of-fit tests as those employed by Juhary and Sentosa (2008) were used and these include: CMIN, df, CMIN/df, p-value, GFI, and RMSEA. CMIN/df estimates how many times larger the chi-square estimate is than its expected value (Bollen, 1989).

In model testing, the first step entails developing a confirmatory measurement model for scale purification and assessing the properties of the measures (Bryne, 2001; and Imam, G., 2003). This first assessment aims to identify the fit of the observed variables to the latent variables (also referred to as measurement model). The second step entails developing a structural equation model that specifies the hypothesised causal relationship among the latent variables (Tabachnick and Fidell, 2007). Structural equation modeling can include two kinds of variables: observed and latent. Observed variables have data, the numeric responses to a rating scale item on a questionnaire. Observed variables in SEM are continuous (Bollen, 1990). Latent variables are those variables that are not directly observed.

4. Research Findings and Discussion

In the study, all the 380 samples of HR practitioners and HR consultants were homogeneous and as such a representative sample was likely have been achieved. Table 2 below sets out the summary of profiles of respondents. From Table 2, it was observed that the majority of the sample comprised HR practitioners (86.3%) compared to HR consultants (13.7%). In terms of the gender, 57.6% were males and 42.4% were females. It was also observed that the majority of the sample possessed master's qualification (35.8%), followed by PhD degree (26.6%), diploma (17.1%), bachelor degree (10.0%), professional/others (6.0%), and secondary education (4.5%). Altogether 72.4% of all the respondents possessed a minimum of a bachelor's degree. Over 37.6% of the respondents were between the age of 30 to 40 years and 32.1% were between 41 to 50 years. Altogether, 69.7% of the respondents were 30 years and above of age. From the above, it can be deduced that the above sample in terms of gender, age, and education level produced moderately homogenous sample pool for this research.

Insert Table 2 - here

With reference to the profile of the companies in operation, this study shows that 253 (66.6%) respondents indicated that their organisations had been in operation for more than 10 years. The size of the workforce represented by the companies in which the HR practitioners were working in were: more than 1000 employees (39.2%), 100 to 500 (26.6%), and less than 100 employees (24.7%). The job categories of the HR practitioners in organisations were: top management (16.8%), middle management (46.1%), supervisory (9.7%), and others (13.7%). From the above, altogether 62.9% of the HR practitioners represented middle management and higher positions. Most of the respondents i.e., 137 (36.1%) have had working experience of between 11 to 20 years; 34.7% or 132 respondents had working experience of more than 20 years; 21.3% or 81 respondents of between 5 to 10 years, and 7.9% or 30 respondents had working experience less than 5 years. Altogether, 70.8% of the total respondents had working experience of more than 10 years. A total of 29.5% or 112 respondents had working experience in HR of between 11 to 20 years; 29.2% or 111 respondents had working experience in HR of between 5 to 10 years; 27.1% or 103 respondents had worked in HR for less than 5 years, and 14.2% or 54 respondents have had working experience in HR for more than 20 years. Altogether, 72.9% of all the respondents had HR working experience of more than 5 years.

Based on the 1st Respecified model (Figure 2), the business competency category was a non-significant competency category in the structural model as Hypothesis 2 was rejected (as given in Table 3 and 7). Business competency category was thus eliminated from the structural model. Thus only the generic/behavioural and technical HR competency categories were significant in the structural model. Modification was done through the elimination of the latent variables and latent constructs. This was confirmed and supported with the goodness of indexes of the structural model (as given in Table 5).

Insert Figure 2 - here

Insert Table 3 - here

Insert Table 4 - here

4.1 Goodness-of-fit indices of the model

Table 5 below sets out the Structural Model fit indicators. The "P" value is more than 0.05, GFI is more than 0.9 (Acceptable fit criteria), and RMSEA is less than 0.08. The measurement model has a good fit with the data based on assessment criteria such as GFI, P level, and RMSEA (Bagozzi and Yi, 1988). It, too, summarises the model fit of the three competency categories, exogenous, generated, and 1st Respecified Model. The testing of the endogenous structural models and testing of endogenous variables (generic/behavioural competency category, business competency category, and technical HR competency category) show the significance of P level ($P > 0.05$), GFI ($GFI > 0.90$) and fulfills the RMSEA criteria (less than 0.08). The comparison between generated model (Figure 3) and the 1st Respecified Model (Figure 2) confirmed that the final hypothesised model (i.e., H7) fits the 1st Respecified Model, where the probability ($P=0.062$) and GFI (0.943) achieved the significant level of the goodness-of-fit index of the model. Thus Hypothesis 7 was accepted. This means the HR practitioners and HR consultants have interactional effect with regards to the constructs of the generic/behavioural competency category, the business competency category, the technical HR competency category, and the HR Practitioner Competency Model.

Insert Table 5 - here

In the study, the structural equation model is a complete path model and this is depicted in a path diagram. It differs from simple path analysis in which all variables are latent variables measured by multiple indicators that have associated error terms in addition to the residual error factor associated with the latent endogenous variables. Figure 4 below shows a measurement model for three exogenous constructs of the competency categories (each measured by indicators). The correlation among exogenous variables shows the values are less than 0.9. The relationship among exogenous variables confirmed that the three competency categories are significantly different as non multicollinearity testing was achieved. For the competency category constructs, the measurement model was within the acceptable levels, indicating a sound fit of the data to the model (as given in Table 5). Confirmatory factor analysis was conducted among endogenous variables to confirm the construct of the three competency categories. The CFA among exogenous variables has an advantage to avoid the multicollinearity issue (Hair *et al.*, 2006). The goodness of model fit among endogenous variables confirmed the significance of the model. Table 5 shows that P level ($P=0.564$) of the model was significant (i.e., more than 0.05) and RMSEA (0.048) was less than 0.08 confirming the significance of the measurement of exogenous model.

Insert Figure 3 - here**Insert Figure 4 - here**

The 1st Respecified model as a result of the examination of the hypothesised model confirmed the constructs of the domains: relationship building and process drivers (note: this domain has been renamed from its previous name – “building work relationship;” personality credibility and attributes; entrepreneurial and business acumen; essential performance enablers; resourcing and talent management; and employee relations and compliance of the hypothesised paths. In SEM, factor analysis and hypotheses are tested in the same analysis. SEM techniques also provide extensive information about the extent to which the research model is supported by the data. To reduce the sensitivity of the chi-square statistics to sample size, Wheaton (1998) recommends using a rule to decide the acceptable χ^2 value: the value of χ^2/df being lower than 3. For the 1st Respecified model (as given in Figure 2), chi-square value (CMIN= 247.725) achieved the fit criteria, χ^2/df equalled to 1.152, and this, too, confirmed the fit criteria. All of the other fit indices were also within the acceptable ranges, suggesting that the 1st Respecified model of the HR Practitioner Competency Model offers a good fit to the data. Chi-square/degrees of freedom of the 1st Respecified model (Figure 2) indicated a goodness-of-fit of the model. The 1st Respecified model explains a substantial portion of the variance of the three competency categories to the endogenous variables (Squared Multiple Correlation - SMC). Table 4 indicates that the three exogenous variables jointly explained a total of 49.5% variance in the development of the HR Practitioner Competency Model. The findings indicate that the latent constructs of exogenous variables of the model significantly relate to the development constructs of the HR Practitioner Competency Model. Specifically, all hypotheses were supported and the final structural equation model, indicated that the four hypothesised paths in the theoretical model were at significant level ($P>0.05$).

Due to the rearrangement of all the valid measured (observed) variables through the application of SEM, the domain “building work relationship” did not appear to be semantically appropriate. The researcher is of the opinion that a more suitable name for the said domain is “relationship building and process drivers.” This is because all the competency factors listed in the domain from the given definitions require good organisational relationship building skills and they catalyse a lot of dynamic actions in an organisation.

Goodness of loading for the paths show that the research objectives of study were achieved. Loading of the paths show that the readings were positive and good ranging from 0.323 to 0.966 for the significance of standardised regression weights. Table 3 above shows the loading of the paths among the three competency categories.

Structural equation modelling seeks to explain the relationships among multiple variables and examines the structure of interrelationships expressed in a series of multiple regression equations (Hair *et al.*, 2006). It is a combination of multiple regression and factor analysis. Likewise, SEM allows sets of relationships between one or more exogenous variables (IVs), either continuous or discrete, and one or more endogenous variables (DVs), either continuous or discrete, to be examined (Tabachnick and Fidell, 2007). Table 6 below shows the relationship among variables in the framework based on the correlation output of SEM. Correlation at the significant level 0.05 (2-tailed) indicates that the business competency category and technical HR competency category have a strong relationship ($P=0.758$). Other values were 0.615 and 0.656, and these, too, indicate a strong relationship. Furthermore, all correlation values show “P” is less than 0.9, and it can thus be concluded as being significant and indicating a good relationship between the two exogenous variables. Also, as all correlation values show “P” is less than 0.9, it can be concluded that it has an insignificant violation to the “non multicollinearity” assumptions among variables.

Insert Table 6 - here

The 1st Respecified model output (Figure 2) shows that the model explains a substantial portion of the variance in all the endogenous variables (squared multiple correlation). Table 4 given above shows that the three exogenous variables jointly explained a total variance of 49.5% of the HR Practitioner Competency Model. In more detail, the breakdown is: employee relations and compliance (80.7%); resourcing and talent management (59.6%); personal credibility and attributes (88.5%); relationship building and process drivers (61.5%); essential

performance enablers (93.3%); and entrepreneurial and business acumen (80.3%). Thus it confirms that the study achieved the construction of competency categories in the HR Practitioner Competency Model.

Insert Table 7 - here

In the study, all of the hypothesised relationships were supported based on the structural equation of the 1st Respecified model results (as given in Figure 2). The path estimates for the hypothesised testing in the model shows that all of the four hypothesised paths were found to have a positive relationship with the HR Practitioner Competency Model (i.e., Hypothesis 1 through Hypotheses 7) except for Hypothesis 2 ($P = 0.741$; rejected). As $P > .05$, Hypothesis 2 was rejected. The Hypothesis 2 ($P = 0.741$) was found as a non significant hypothesis path. It means that there is no significant influence of the business competency category on the HR Practitioner Competency Model. It also implies that the business competency category is not significant in the study. Table 7 given above sets out the details of hypotheses testing results. Table 7 also confirms the significant Hypothesis 1 ($P = 0.003$) and Hypothesis 3 ($P = 0.008$). Table 7, too, confirms low standard error loadings for all the relationships (std. error < 0.1).

Based on the 1st Respecified model (Figure 2), the business competency category was a non significant competency category in the structural model as Hypothesis 2 was rejected. Business competency category was thus eliminated from the structural model. Thus only the generic/behavioural and technical HR competency categories were significant in the structural model. Modification was done through the elimination of the latent variables and latent constructs. The Final Respecified model (as given in Figure 5) was established with all the significant competency categories, competency domains, and the competency factors. This was confirmed and supported with the goodness of indexes of the structural model. Goodness of model fit shows the chi-square value (CMIN= 119.675); $\chi^2/df = 1.088$; P value = 0.249; GFI = 0.960; and RMSEA = 0.016. The Final Respecified model of HR Practitioner Competency Model confirmed the significance of the generic/behavioural competency category ($\beta=0.31$) and the technical HR competency category ($\beta=0.46$) in the HR Practitioner Competency Model.

Insert Figure 5 - here

4.2 Discussion

In the generic/behavioural competency category, only two competency domains i.e., “relationship building and process drivers,” and “personal credibility and attributes” were significant in the study. In the domain “relationship building and process drivers,” “process management,” “flexibility,” “information seeking,” and “strong initiative” were the only significant competency factors. In the industry, these competency factors are generally mapped out in the generic competency frameworks of the organisations. In the domain “personal credibility and attributes,” the competency factors such as “pride at work,” “pro-activeness,” “ability to change,” and “leadership” were the only significant competency factors. These, too, in the industry are generally included in the generic competency frameworks of the organisations. As given in Figure 5, the “business competency category” was found to be non significant. From the study, it can be concluded that the HR profession in Malaysia does not observe the importance of the “business competency category” that include the competency domains “entrepreneurial and business acumen,” strategic orientation,” “customer orientation,” and essential performance enablers.” In the technical HR competency category, only domains i.e., “resourcing and talent management,” and “employee relations and compliance” were significant. In the domain “resourcing and talent management,” the competency factors that were significant in the study were “organisation development,” “career planning,” and “succession planning.” Organisation development is somewhat closely related to the “ability to change” in the domain “personal credibility and attributes.” The findings show that the HR profession in Malaysia is progressive and advocates change and organisation development (Abdul Hamid, 2010). This is in parallel with the development in the west. The three competency factors “organisation development,” “career planning,” and “succession planning” are areas where a lot of emphasis is given today in the west. It shows that the thinking of the HR profession in line with the challenges faced by their organisations in an era where talent management is critical; and where the business strategy is changing speedily.

In the domain “employee relations and compliance,” the competency factors “discipline,” “occupational safety and health,” and “human performance improvement” were the only competency factors that were significant. In the study, it was found that “discipline” is still a significant competency factor. It is a traditional and conservative function/activity of human resource management. Discipline is unlike the other competency factors such as “organisation development,” “career planning,” and “succession planning” in the domain “resourcing and talent management” that are basically strategic oriented competencies. The findings indicate that the HR profession in Malaysia is still conservative unlike in the west where “positive discipline is emphasised.” The competency factor, “occupational safety and health,” too, was significant. This could be significant due to the mandatory legal compliance requirements. Even in the west, this competency still commands its importance. Human performance improvement was reorganised as a significant domain into the “employee relations and compliance” competency domain by the structural modeling procedures. However, the researcher is of the opinion that this competency factor may best benefit either in the “resourcing and talent management” competency domain, or the “rewards and performance management” competency domain. This appears to be somewhat an anomaly. This should be further researched (Abdul Hamid, 2010).

However, its significance in the study is interesting as even in the west, it is not prominent in most of the notable HR competency models/frameworks that were researched. Human performance improvement is somewhat more closely related to “performance management” and surprisingly, “performance management,” too, was not significant in the study. Possibly, the HR profession observes that the performance management practices are already well established in the organisations and currently, the emphasis needs to be given to human performance improvement.

Hypothesis 2 ($P = 0.741$) was rejected (Table 7). Hypothesis testing shows that the “business” competency category did not have a direct and positive relationship with the HR Practitioner Competency Model, and therefore it does not have any influence on the HR Practitioner Competency Model. This is contrary to the findings of similar research elsewhere. Ulrich *et al.* (2008) observes its importance and the competency domain “business ally” was included in the 2007 HR Competency Model developed by the RBL Group and the University of Michigan’s Business School. The HR practitioners are expected to possess knowledge with regards to the business customers, products or services, etc.. The ASTD Competency Model (Bernthal *et al.*, 2004) maps out business/management as one of the three clusters of competencies necessary for all workplace learning and performance (WLP) professionals that also includes the HR practitioners.

Most of the competency factors including “flexibility,” “information seeking,” “strong initiative,” “pro-activeness,” “ability to change,” “leadership,” “organisation development,” and “career planning” are also present in other HR competency models/frameworks globally. It appears that the overall findings do not differ that much from other studies done elsewhere.

Competency factors such as “pride at work,” “discipline,” “human performance improvement,” “process management,” and “succession planning,” were significant in this study unlike other HR competency studies. The competency factor “succession planning” which is closely related to “leadership” and “talent management,” too, was significant in this study. Succession planning is an important competency for the future (Abdul Hamid, 2010). Hamner (2005) observes that “leadership” and “succession planning” are continuously coupled. The competency factors “ability to change” and “organisation development” are somewhat closely related. Both were significant and it shows how important these are to the HR profession in Malaysia. Human performance improvement, too, does not appear in most of the HR competency models/frameworks that were researched. Human performance improvement is however emphasised in the 2004 ASTD Competency Model (Bernthal *et al.*, 2004; Rothwell, 1999).

5. Conclusions and Recommendations

The fundamental contribution of the study to the HR Body of Knowledge is the significance of the generic/behavioural competency category and the technical HR competency category in the HR Practitioner Competency Model (Abdul Hamid, 2010). The study resulting in empirically tested HR Practitioner Competency Model complements the work done by other researchers in the US or Europe. As it is done in a local Malaysian cultural setting, it should benefit the HR practitioners, HR consultants, the academia, organisations, and other related individuals in Malaysia. The HR Practitioner Competency Model is an empirically tested model. This is important as it is valid. Most of the available HR Competency Models are generally done through qualitative studies. In the study, the respondents were chosen from two primary sectors namely the manufacturing and services. This is important as both of the economic sectors in total contributed to 83.6% of Gross Domestic Product in 2007 (Bank Negara Malaysia, 2007). Therefore, a balanced view is given in the research.

Alike any other studies, the findings obtained in this study, too, has its own limitations. The researcher however tried his level best to overcome the limitations. The limitations are: the rate of response from the manufacturing sector was 34% and the rate of response from services sector was 24%. To get a much more balanced view, an equal number of survey questionnaires should be sent to the services sector. The addresses of some of the organisations for both the manufacturing and services were not updated in the directories, and it was for this reason as to why some of the survey questionnaires were returned. Based on the limitations of the present study, it is proposed that further research should consider the following perspectives:

- 1) The study may be extended widely to include the CEOs, Directors, General Managers, Line Managers, peers of HR practitioners, academia, and all customers of the HR practitioners.
- 2) Competency framework comprising detailed capability (mastery) levels of the behavioural indicators may be established using the competencies that were significant in the study. The competencies that were significant in the study, too, may be used in job designs or job descriptions of the HR practitioners.
- 3) Research may be replicated in the government sector, and small and medium scale industries, and in other Asian countries such as Indonesia, Singapore, and Brunei since these countries have cultural background similar to Malaysia. Except for Singapore, very little HRM work related to human resource competencies has been carried out in those countries.
- 4) Further research on the relationship between human resource competencies and performance is suggested.

The competency domains significant in the “generic/behavioural competency category” were “relationship building and process drivers,” and “personal credibility and attributes;” the competency domains significant in the “business competency category” were “entrepreneurial and business acumen,” and “essential performance

enablers,” and the competency domains significant in the “technical HR competency category” were “resourcing and talent management,” and “employee relations and compliance.” It was found that only the “generic/behavioural competency category” and the “technical HR competency category” influenced the development of the HR Practitioner Competency Model.

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Table 1. Conceptual / Theoretical Framework of Study

Competency Category	Competency Domain	Competency Factor	
Generic/ Behavioural Competency Category	Leadership	<ul style="list-style-type: none"> • Process management • Leadership • Team leadership 	<ul style="list-style-type: none"> • Directiveness • Motivation and drive
	Building work relationship	<ul style="list-style-type: none"> • Flexibility • Communication skills • Tolerance • Adaptability • Interpersonal skills • Cross-cultural sensitivity 	<ul style="list-style-type: none"> • Results orientation • Team work • Resilience • Commitment • Relationship building • Changing composition of workforce
	Personal credibility and attributes	<ul style="list-style-type: none"> • Personal effectiveness • Loyalty • Strong initiative • Pro-activeness 	<ul style="list-style-type: none"> • Persistency • Professional image • Pride at work • High integrity
	Self-development	<ul style="list-style-type: none"> • Ability to change • Analytical thinking • Information seeking 	<ul style="list-style-type: none"> • Conceptual thinking • Continuous learning
Business Competency Category	Entrepreneurial and business acumen	<ul style="list-style-type: none"> • Financial knowledge • Consulting skills • Accountability • Sales and marketing • Accounting knowledge • Information & communication technology • Business process design 	<ul style="list-style-type: none"> • Entrepreneurial skills • Responsibility • Project management • Knowledge management • Globalisation awareness • Technology awareness
	Strategic orientation	<ul style="list-style-type: none"> • Strategic alignment • Strategic thinking 	<ul style="list-style-type: none"> • Strategic planning
	Customer orientation	<ul style="list-style-type: none"> • Customer satisfaction • Consciousness toward quality 	<ul style="list-style-type: none"> • Knowledge of products/services • Responsiveness
	Essential performance enablers	<ul style="list-style-type: none"> • Decision making • Problem solving skills • Professionalism and ethics • Facilitation skills • Presentation skills • Negotiation skills • Persuasion skills • Creativity 	<ul style="list-style-type: none"> • Management skills • Handling conflict • Managing resources • Command of English language • Writing skills • Influencing skills • Innovation
Technical HR Competency Category	Resourcing and talent management	<ul style="list-style-type: none"> • Recruitment and selection • HR planning & acquisition • Policy formulation • Organisational development 	<ul style="list-style-type: none"> • Talent management system • Talent retention • HR strategy • Human resource information system
	Learning and development	<ul style="list-style-type: none"> • Human resource development • Career planning 	<ul style="list-style-type: none"> • Succession planning
	Rewards and performance management	<ul style="list-style-type: none"> • Salary and payroll administration • Rewards management • HR performance measurement • Human performance technology 	<ul style="list-style-type: none"> • Compensation and benefits • Performance management and development • Human performance improvement
	Employee relations and compliance	<ul style="list-style-type: none"> • Employee relations • Staff welfare • Termination and separation • Security management 	<ul style="list-style-type: none"> • Discipline • Employment laws and legislation • Occupational safety and health

Table 2. Summary of Profile of Respondents (N=380)

HR Category	N	%
HR practitioners	328	86.3
HR consultants	52	13.7
Total	380	100
Gender		
Male	219	57.6
Female	161	42.4
Total	380	100
Age		
< 30 years	37	9.7
30 – 40 years	143	37.6
41 – 50 years	122	32.1
> 50 years	78	20.5
Total	380	100
Education Level		
Secondary Education	17	4.5
Diploma Degree	65	17.1
Bachelor Degree	38	10.0
Master Degree	136	35.8
PhD Degree	101	26.6
Professional/Others	23	6.0
Total	380	100
Years of Organisation in Operation		
Less than 1 year	8	2.1
1 – 5 years	61	16.1
6 – 10 years	58	15.3
More than 10 years	253	66.6
Total	380	100
Years of Working Experience		
Less than 5 years	30	7.9
5 – 10 years	81	21.3
11 – 20 years	137	36.1
More than 20 years	132	34.7
Total	380	100
Years of Working Experience with HR		
Less than 5 years	103	27.1
5 – 10 years	111	29.2
11 – 20 years	112	29.5
More than 20 years	54	14.2
Total	380	100
Number of Employees in Organisation		
Less than 100	94	24.7
100 – 500	101	26.6
501 – 1000	36	9.5
More than 1000	149	39.2
Total	380	100

Category of Economic Sectors		
Manufacturing	225	59.2
Services	155	40.8
Total	380	100
Job Category in Organisation		
Top Management	64	16.8
Middle Management	175	46.1
Supervisory	37	9.7
Others	52	13.7
Total (1)	328	86.3
Missing	52	13.7
Total (2)	380	100
Current Job Title/Designation		
	66	17.4
Executive/Administrator	38	10.0
Senior Executive/Administrator	91	23.9
Manager	34	8.9
Senior Manager	41	10.8
General Manager	12	3.2
Director	46	12.1
Others	328	86.3
Total (1)	52	13.7
Missing	380	100
Total (2)		

Table 3. Results of Standardised Regression Weights of the 1st Re-specified Model

Objectives & Hypothesis	Endogenous	Exogenous	λ
Obj.1	Relationship building and process drivers <---	Generic/Behavioural Competency Category	0.784
	Personal credibility and attributes <---	Generic/Behavioural Competency Category	0.941
Obj.2	Entrepreneurial and business acumen <---	Business Competency Category	0.896
	Essential performance enablers <---	Business Competency Category	0.966
Obj.3	Resourcing and talent management <---	Technical HR Competency Category	0.772
	Employee relations and compliance <---	Technical HR Competency Category	0.899
Obj.4 - Hy1	HR Practitioner Competency Model <---	Generic/Behavioural Competency Category	0.323
Obj.5 - Hy2	HR Practitioner Competency Model <---	Business Competency Category	0.044
Obj.6 - Hy3	HR Practitioner Competency Model <---	Technical HR Competency Category	0.411

Table 4. Squared Multiple Correlation (SMC) Among Endogenous Variables

Objectives	Hypotheses	Variables	SMC	Adj. R ²	Description
Obj. 7	Hy. 4 Generic/ Behavioural Competency Category	Personal credibility & attributes	0.885	88.5%	<i>Accepted</i>
Obj. 7		Relationship building & process drivers	0.615	61.5%	<i>Accepted</i>
Obj. 8	Hy. 5 Business Competency Category	Essential performance enablers	0.933	93.3%	<i>Accepted</i>
Obj. 8		Entrepreneurial and business acumen	0.803	80.3%	<i>Accepted</i>
Obj. 9	Hy. 6 Technical HR Competency Category	Employee relations & compliance	0.807	80.7%	<i>Accepted</i>
Obj. 9		Resourcing and talent management	0.596	59.6%	<i>Accepted</i>
Obj.10	Hy.7	HR Practitioner Competency Model	0.495	49.5%	<i>Accepted</i>

Table 5. Summary of the Goodness-of-Fit to the Structural Model

Model Fit Indicator	Generic/ Behavioural Competencies	Business Competencies	Technical HR Competencies	Exogenous Model	Generated Model	1 st Re-specified Model
χ^2	21.891	9.963	9.062	153.495	413.620	247.725
df	12	7	8	157	161	215
CMIN/df	1.228	1.385	1.133	0.978	2.569	1.152
P	0.189	0.207	0.337	0.564	0.000	0.062
GFI	0.984	0.991	0.991	0.959	0.886	0.943
RMSEA	0.029	0.034	0.020	0.048	0.068	0.021

Table 6. Correlation among Exogenous Variables

Endogenous	Exogenous	Θ
Generic/ Behavioural Competency Category	<--> Technical HR Competency Category	0.656
Generic/Behavioural Competency Category	<--> Business Competency Category	0.615
Business Competency Category	<--> Technical HR Competency Category	0.758

Table 7. Summary of Research Objectives and Hypotheses Testing

Objectives and Hypotheses	Endogenous	Exogenous	Estimate	Std. Error	Critical Ratio	P	Description
Obj.1	Relationship building and process drivers	<---> Generic/ Behavioural Competency Category	0.320	0.039	8.296	***	<i>Asserted</i>
Obj.1	Personal credibility & attributes	<---> Generic/ Behavioural Competency Category	0.451	0.041	10.986	***	<i>Asserted</i>
Obj.2	Entrepreneurial & business acumen	<---> Business Competency Category	0.437	0.043	10.105	***	<i>Asserted</i>
Obj.2	Essential performance enablers	<---> Business Competency Category	0.390	0.041	9.544	***	<i>Asserted</i>
Obj.3	Resourcing and talent management	<---> Technical HR Competency Category	0.374	0.039	9.642	***	<i>Asserted</i>
Obj.3	Employee relations & compliance	<---> Technical HR Competency Category	0.418	0.040	10.498	***	<i>Asserted</i>
Obj.4 - Hy.1	HR Practitioner Competency Model	<---> Generic/ Behavioural Competency Category	0.152	0.052	2.936	,003	<i>Asserted</i>
Obj.5 - Hy.2	HR Practitioner Competency Model	<---> Business Competency Category	0.021	0.063	0.330	,741	<i>Rejected</i>
Obj.6 - Hy.3	HR Practitioner Competency Model	<---> Technical HR Competency Category	0.194	0.073	2.643	,008	<i>Asserted</i>

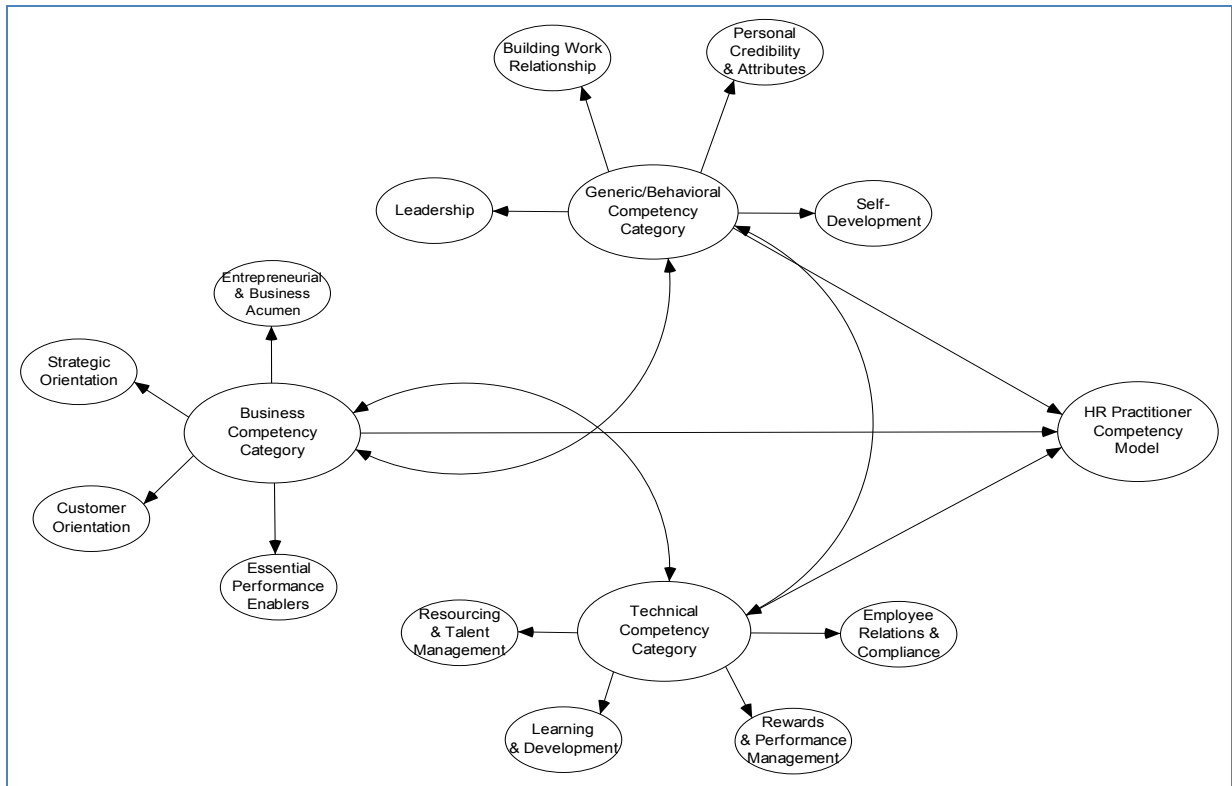


Figure 1. Research Framework of the Study

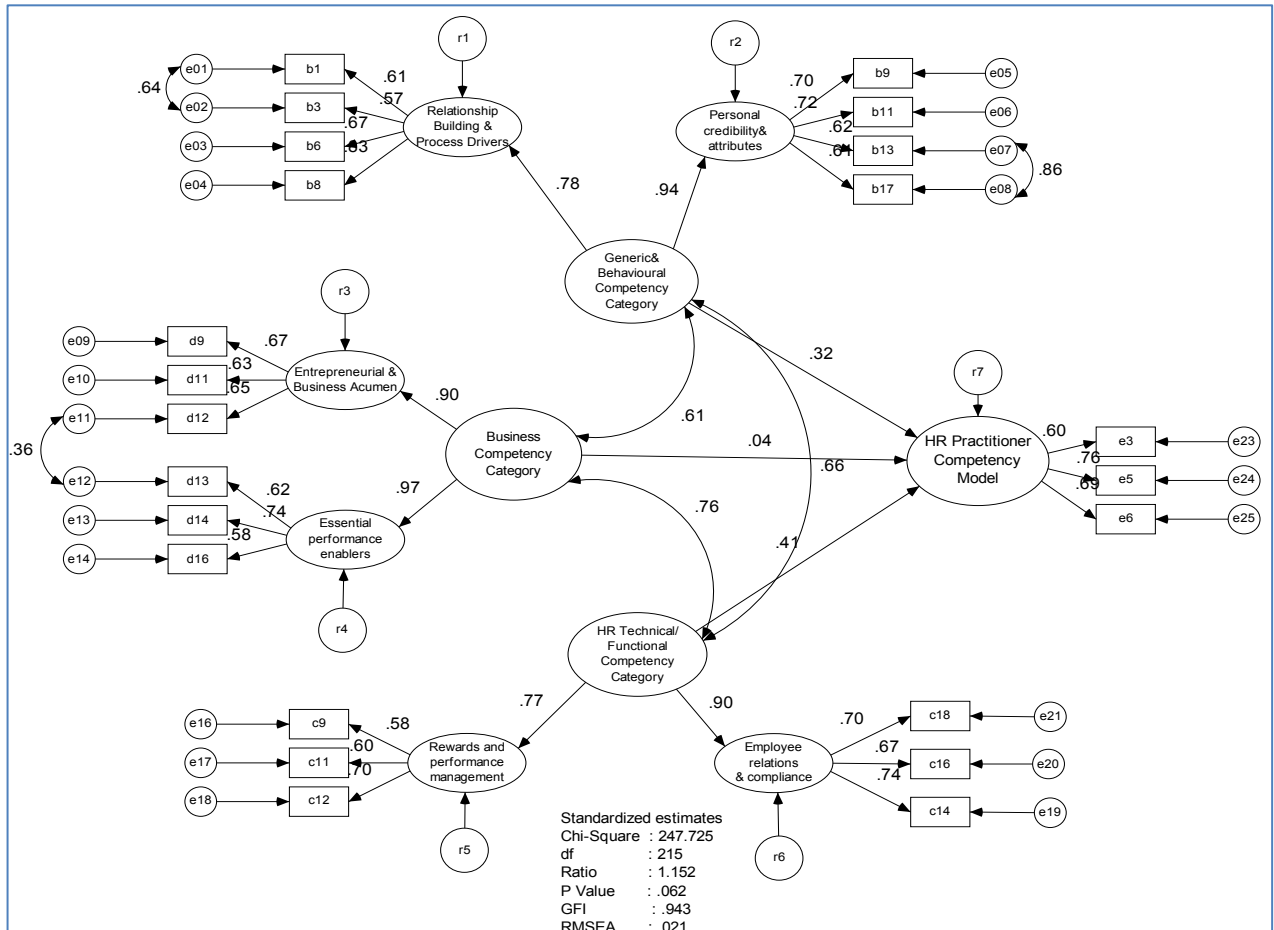


Figure 2. First (1st) Respecified Model of HR Practitioner Competency Model

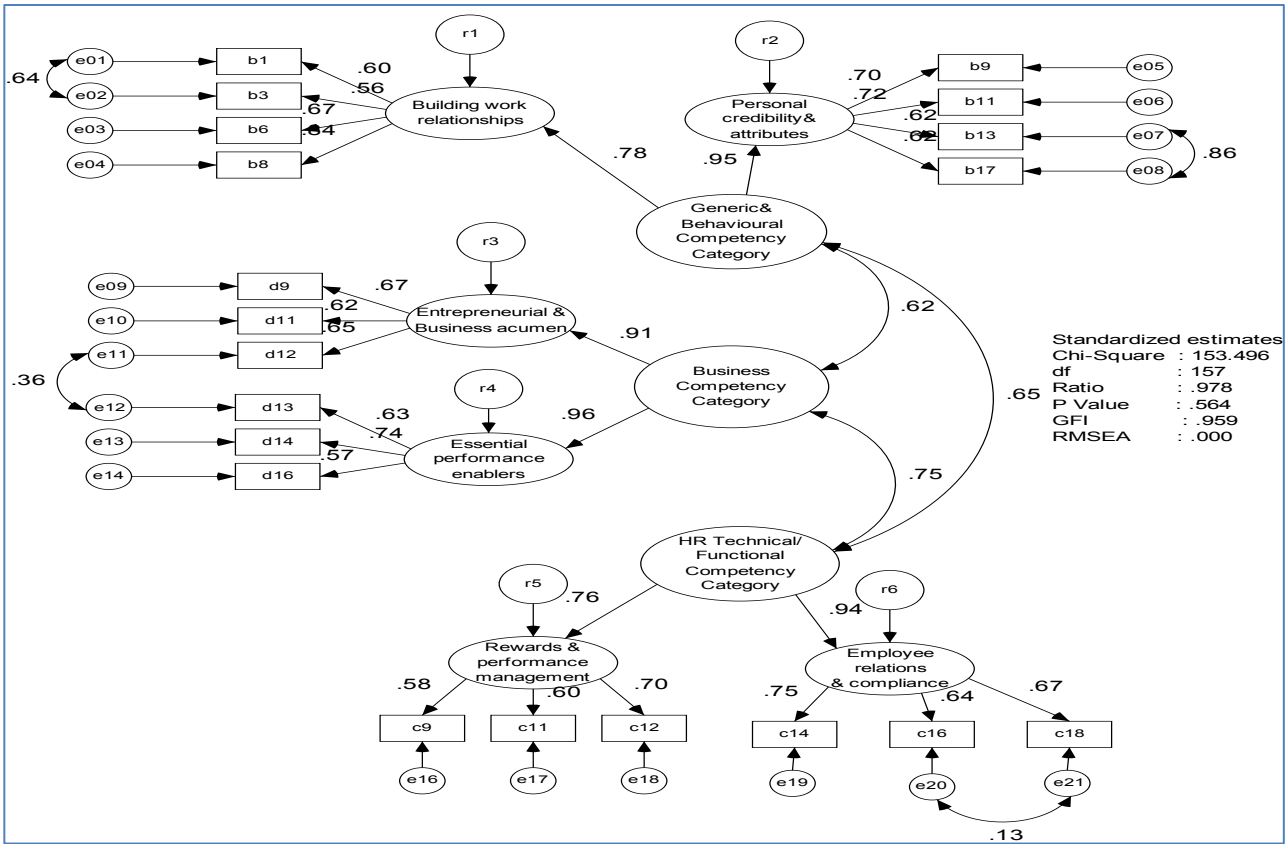


Figure 3. Generated Model of HR Practitioner Competency Model

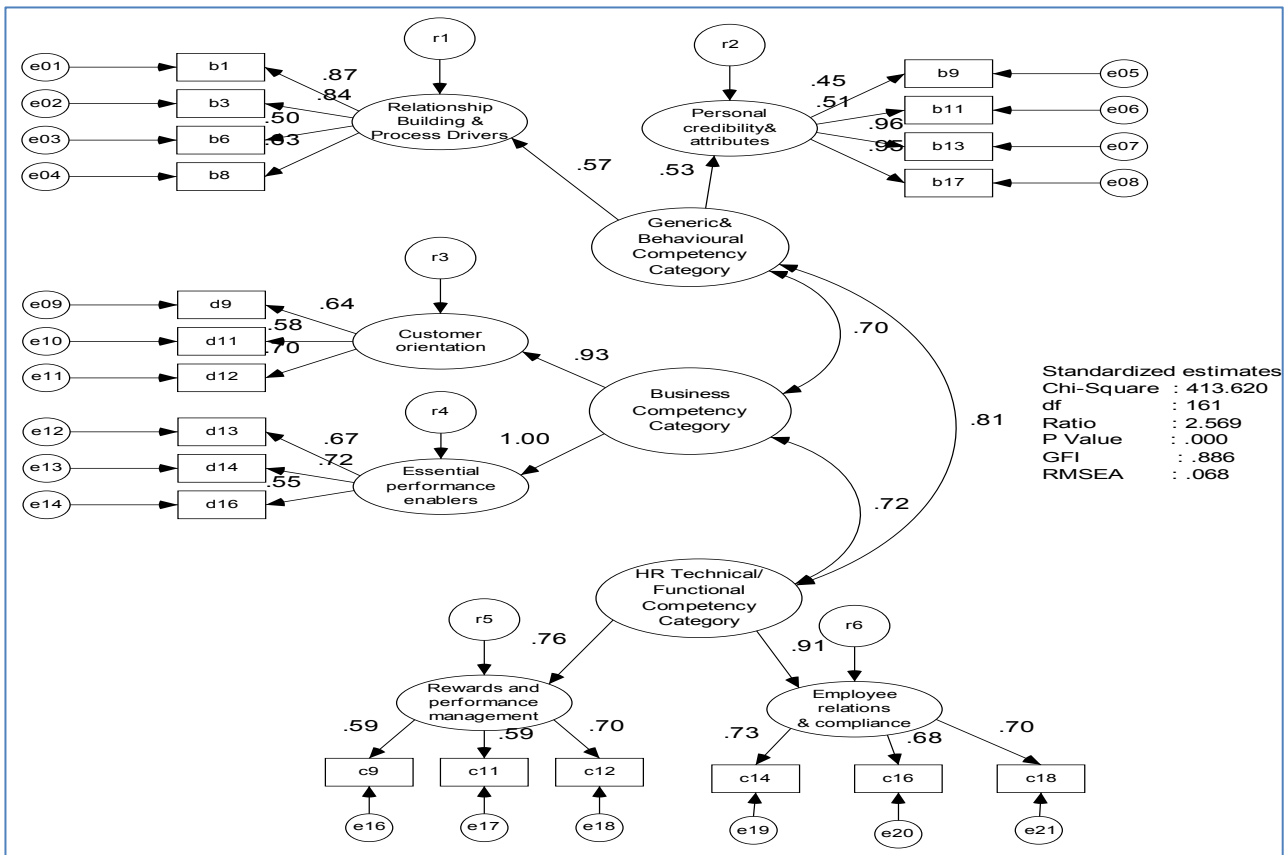


Figure 4. Measurement Model of Exogenous Variables

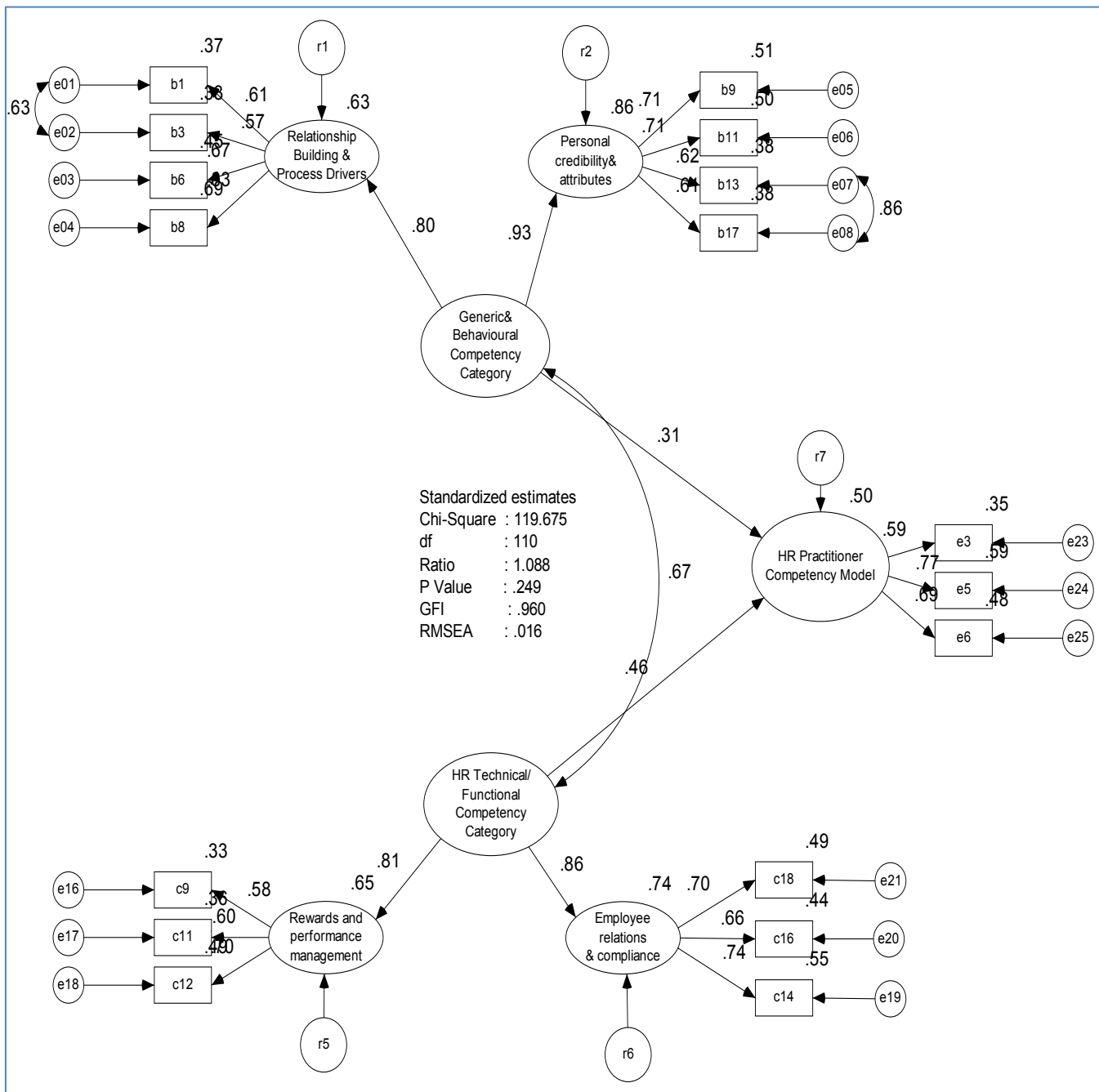


Figure 5. Final Respecified Model of HR Practitioner Competency Model