

## Implementation of the Most Updated Employee Competence Measurement System

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**ABSTRACT:** *This research will explore how this system is implemented, what factors influence its effectiveness, and its impact on employee performance. Thus, this research can significantly contribute to developing literature on employee competency assessment systems in Indonesia and providing practical recommendations for the Provincial BKSDA and other organisations that wish to implement a similar system. This research uses a qualitative approach with a case study method to explore the implementation of the updated employee competency measurement system in the BKSDA of North Sumatra Province (Provsu). Data collection techniques used include interviews and observation. This research found that implementing the updated employee competency measurement system at BKSDA Provincial Province has provided several significant benefits for the organisation. One of them is improving the quality of employee competency assessment data. By using modern and comprehensive assessment instruments, the Provincial BKSDA now has access to more accurate and in-depth data regarding the abilities and potential of each employee. Implementing this strategy enables more informed and strategic decision-making and promotes targeted career development.*

Penelitian ini akan mengeksplorasi bagaimana sistem ini diterapkan, faktor apa saja yang mempengaruhi efektivitasnya, dan dampaknya terhadap kinerja karyawan. Dengan demikian, penelitian ini diharapkan dapat memberikan kontribusi yang signifikan terhadap pengembangan literatur terkait sistem penilaian kompetensi pegawai di Indonesia dan memberikan rekomendasi praktis bagi BKSDA Provsu dan organisasi lain yang ingin menerapkan sistem serupa. Penelitian ini menggunakan pendekatan kualitatif dengan metode studi kasus untuk mengeksplorasi implementasi sistem pengukuran kompetensi pegawai terkini di BKSDA Provinsi Sumatera Utara (Provsu). Teknik pengumpulan data yang digunakan meliputi wawancara dan observasi. Penelitian ini menemukan bahwa penerapan sistem pengukuran kompetensi pegawai yang diperbarui di BKSDA Provsu telah memberikan sejumlah manfaat yang signifikan bagi organisasi. Salah satunya adalah peningkatan kualitas data penilaian kompetensi pegawai. Dengan memanfaatkan instrumen penilaian yang modern dan komprehensif, BKSDA Provsu kini mempunyai akses terhadap data yang lebih akurat dan mendalam mengenai kemampuan dan potensi setiap pegawai. Hal ini tidak hanya memfasilitasi pengambilan keputusan yang lebih terinformasi dan strategis, namun juga mendukung pengembangan karir yang lebih terfokus.

**Keywords:** *Measurement System, Employee Competence, Current Competence.*

## I. INTRODUCTION

The North Sumatra Provincial Civil Service Agency (BKSDA Provsu) has demonstrated its commitment to improving the quality of human resources (HR) and organisational efficiency by developing a more advanced employee competency assessment system (Murti et al., 2021; Puspitasari & Rosidi, 2019). The agency demonstrates its commitment through significant improvements in measuring employee competency. The updated and innovative employee competency assessment system enables the North Sumatra BKSDA to evaluate employee competency more accurately and comprehensively (Arnasari & Madjid, 2019).

This increase is motivated by several important factors. First, there is a need for competent human resources. In the era of globalisation, organisations must have competent human resources to compete effectively. High employee competence will improve organisational performance and help achieve predetermined goals (Irawan, 2019; Janah et al., 2023). Second, the development of information technology. This development allows the BKSDA of North Sumatra Province to implement a more sophisticated and efficient competency assessment system. This technology can process data more quickly and accurately, resulting in more useful information for HR development. Third, government policy. The government has issued policies requiring organisations to conduct employee competency assessments (Lesmana et al., 2023; Mustaqim et al., 2024). This policy aims to improve the quality of human resources of state civil servants (ASN) and realise good governance (Faisal, 2020).

Previous studies relevant to this study show results that support the importance of a competency assessment system. The study by Natalia et al. (2022) found that a competency-based performance assessment system positively affects employee performance. In addition, the study by Pujotomo et al. (2019) found that the factors that affect the effectiveness of employee competency assessment are assessor competency, assessment methods, and facilities and infrastructure. Another study by Sabuhari et al. (2020), found that implementing an online-based competency assessment system can improve employee performance (Hadijaya & Anggraeni, 2023).

However, several research gaps can be identified based on the background of the problem and previous research. First, few studies have examined the implementation of Indonesia's updated employee competency measurement system. Second, existing research has yet to focus on analysing the implementation of the employee competency measurement system at the North Sumatra BKSDA. Third, research has yet to examine the factors influencing the effectiveness of implementing the updated employee competency measurement system at the North Sumatra BKSDA (Maulia et al., 2021).

Based on the identification of the gap, the researcher is interested in raising the research title of the analysis of the implementation of the updated employee competency measurement system, and this study attempts to fill the existing gap by conducting an in-depth analysis of the implementation of the updated employee competency measurement system at the BKSDA Provsu. This study will examine the implementation of

the system, identify the factors that influence its effectiveness, and analyse its impact on employee performance. Thus, this study aims to significantly contribute to developing literature on Indonesia's employee competency assessment system and offer practical recommendations to the BKSDA Provsu and other organisations seeking to implement a similar system.

## II. METHOD

This study uses a qualitative approach with a case study method to explore the implementation of the updated employee competency measurement system at the BKSDA of North Sumatra Province (Provsu). Data collection techniques used include interviews and observations. The research team conducted interviews with various related parties, including Mr. Andy Kurniawan Siregar, S.Sos., M.Tr.AP., the Head of the Administrative Sub-Division of the UPTD Center for Competency Assessment of the BKD Provsu, to gain in-depth insight into their experiences, views, and evaluations of the new system. The researchers conducted observations to directly monitor the system's implementation process, allowing them to see how employees adapt and interact with the updated system. This combination of interview and observation techniques provides a holistic and in-depth view of the effectiveness, challenges, and benefits of implementing the employee competency measurement system at the BKSDA Provsu.

## III. RESULT AND DISCUSSION

Based on the analysis of observations and interviews conducted at the BKSDA of North Sumatra Province (Provsu), several findings were found, namely:

### **Background of Employee Competency Measurement System Development**

The background of developing the employee competency measurement system at the BKSDA Provsu was driven by three main factors, as revealed in an interview with Mr. Andy. The first factor is the need for competent human resources (HR) in the current era of globalisation. In the context of globalisation, competition between organisations is getting tighter. It requires each organisation to have competent employees who can adapt quickly to environmental changes. Mr. Andy emphasised, "High employee competence will improve organisational performance and help achieve predetermined goals." This statement illustrates how important employee competence is in supporting the efficiency and effectiveness of organisational operations. Organisations will need competent employees to compete and achieve their strategic targets.

The second factor is the development of information technology that allows implementing a more sophisticated and efficient competency assessment system. Information technology has developed rapidly, providing various tools and systems that can be used to better manage and assess employee competencies. Mr. Andy added, "This technology can process data faster and more accurately, resulting in more useful information for HR development." By utilising information technology, the competency assessment process can be carried out in real time and based on accurate data, making the results more reliable for decision-making related to employee development. Technology also minimises

human error in the assessment process and allows for large-scale data processing with high efficiency.

The third factor is the government policy that requires organisations to conduct employee competency assessments to improve the quality of state civil servants (ASN) and realise good governance. This policy reflects the government's commitment to encouraging improvements in the quality of ASN through systematic and structured assessments. Standardised competency assessments not only help in the development of individual employees but also in creating a more professional and accountable work culture. Organisations can identify employee weaknesses through comprehensive assessments to design and implement more targeted development programs.

Overall, developing an employee competency measurement system at the North Sumatra BKSDA is a strategic step driven by the need for competent human resources, advances in information technology, and government policies. This step will improve organisational performance, support sustainable human resource development, and realise better governance.

### **Main Objectives of the Updated System**

The updated competency measurement system at BKSDA Provsu aims to improve the quality of human resources (HR) in the environment. Through more accurate and comprehensive competency assessments, it is hoped that employees can be developed according to their best potential. Mr Andy emphasised, "By measuring employee competencies more accurately and comprehensively, it is hoped that employee performance will increase and organisational goals can be achieved." This statement reflects the importance of having an evaluation tool that can provide a clear picture of the strengths and weaknesses of each individual in the context of their work.

In addition to improving individual performance, this system is also intended to support efforts to realise good governance. With clear and measurable assessment standards, the decision-making process related to employee development can be carried out more transparently and objectively. It will help create a work environment based on meritocracy, where promotion and career development are based on measurable competencies and achievements.

Adopting an updated competency measurement system is also in line with the flow of globalisation and the development of information technology. The technology used in this system allows faster and more accurate data processing. It facilitates the integration of data from various sources to provide a complete picture of the abilities and potential of each employee. Thus, organisations can be more responsive to environmental changes and increase their competitiveness when facing future challenges.

Overall, the main objective of developing an employee competency measurement system at BKSDA Provsu is to improve the quality of human resources, support good governance, and utilise technology to strengthen organisational development strategies. This step will benefit the organisation by achieving its strategic goals and building a strong foundation for sustainable growth in this increasingly dynamic era.

## Key Changes to the Competency Measurement System

Several major changes to the employee competency measurement system at BKSDA Provsu reflect a commitment to increasing effectiveness and accuracy in evaluating employee capabilities and potential. Using more modern and accurate assessment instruments, such as competency tests, performance assessments, and 360-degree assessments, is a key step in obtaining a more comprehensive picture of individual competencies. With this approach, organisations can more accurately identify employee strengths and weaknesses and direct development efforts more specifically according to needs.

In addition, the application of more diverse and comprehensive assessment methods, such as simulations, observations, and interviews, provides an additional dimension to the assessment that focuses not only on technical knowledge and skills but also on personality and social aspects. This holistic approach helps ensure that competency evaluations measure current performance and potential for future growth.

Information technology, such as the computerised assessment system (CAS), drives efficiency in managing assessment data. CAS allows for fast and accurate data processing and produces reports that are easy to read and understand. With the adoption of this technology, the evaluation process becomes more transparent and well-documented, facilitating more appropriate and evidence-based decision-making.

Furthermore, implementing more targeted employee training and development based on competency assessment results is the main focus of this system implementation. Data from the evaluation is used to design development programs following individual and organisational needs and optimise employee contributions in achieving the organisation's strategic goals.

Significant changes to the employee competency measurement system at BKSDA Provsu reflect efforts to comprehensively improve HR management, use technology for efficiency, and ensure that every employee can develop according to their maximum potential. These steps support the achievement of organisational goals and build a strong foundation for sustainable growth and adaptation to future challenges.

## System Implementation Process

The implementation process of the employee competency measurement system at the BKSDA Provsu is planned in stages with structured and measurable steps. First, the formation of an implementation team is a crucial initial step. This team is responsible for formulating implementation strategies, preparing guidance documents, and monitoring the implementation of the system as a whole. Thus, effective coordination and regular monitoring are created during the implementation process.

The second step is to socialise the new system for all employees. This socialisation is important for introducing the goals, benefits, and how to use the new system. With a clear understanding, the level of employee acceptance and participation in using the new system is expected to be increased.

Training is the next essential stage, where employees are provided with supplies using the CAS system and other assessment instruments. This training educates about the technical

use and the importance of competency evaluation in career development and achieving organisational goals.

System testing is conducted to ensure that all system components are functioning properly and there are no significant obstacles. The results of this test are the basis for adjustments or improvements before the system is widely implemented.

The gradual implementation of the system is the next step, starting from a specific work unit before being expanded to all work units. This approach allows for further adjustments according to conditions and responses from users in the field.

Finally, monitoring and evaluation become continuous activities to ensure the system runs as planned and delivers the expected results. Through this process, potential improvements can be identified proactively to increase the effectiveness and efficiency of the employee competency measurement system at the BKSDA Provsu.

Thus, a well-planned implementation process is expected to improve the quality of employee competency evaluation and support achieving the organisation's overall strategic goals.

### **Challenges in Implementation**

During the implementation process of the employee competency measurement system at the BKSDA Provsu, several significant challenges were identified that must be addressed carefully. One of the main challenges is the change in employee mindset and work culture. Employees accustomed to the old assessment system may need time to adapt to the new, more complex, technology-based system. This process requires an effective communication approach and a comprehensive socialisation program to ensure that all employees understand the benefits and process of implementing the new system.

Employee readiness to use information technology is also a challenge in itself. Not all employees have the same ability to operate the newly implemented computerised system. Therefore, intensive training in information technology is key to ensuring that all employees can use the system effectively and efficiently.

In addition, limited human resources and budget are obstacles to implementing new systems. Developing, testing, and implementing sophisticated computerised systems require significant human resources and budget investments. BKSDA Provsu must ensure adequate resource allocation to support all system implementation and maintenance stages.

Lack of coordination between work units can also hamper smooth implementation. Good coordination between various organisational work units is needed to ensure that the new system can be implemented uniformly and consistently. Strengthening communication and collaboration between work units is essential in overcoming this challenge.

To overcome these challenges, BKSDA Provsu has taken strategic steps. They intensified socialisation and employee training to ensure understanding and acceptance of the changes. In addition, they also built commitment from the organisation's leaders to support the implementation of the new system. Allocation of human resources and budget was increased to meet the implementation needs, while coordination between work units was strengthened to ensure a smooth process.

With a planned approach and solid support from all stakeholders, the North Sumatra BKSDA is expected to overcome the challenges in implementing this employee competency measurement system and achieve the strategic goals set for improving the quality of human resources and better governance.

### **Benefits of New System Implementation**

Since its implementation, implementing the updated competency measurement system at BKSDA Provsu has provided various significant benefits to the organisation. First, this system has improved the quality of employee competency assessment data. By using more modern and comprehensive assessment instruments, BKSDA Provsu now has access to more accurate and in-depth data on the abilities and potential of each employee and supports strategic decision-making related to HR development and resource allocation.

Furthermore, implementing this new system has also increased objectivity and transparency in the assessment process. By reducing the potential for subjective bias in assessments, this system ensures that evaluations are conducted based on clear and measurable criteria. Strengthens employee trust in the evaluation process and allows for fairer and more evidence-based decision-making.

Improved employee motivation and performance are also the results of implementing this system. Employees who clearly understand their strengths and areas of development tend to be more motivated to improve their competencies. With constructive feedback from the assessment results, employees can focus more on developing themselves and contributing optimally to organisational goals.

Finally, the effectiveness of human resource development in BKSDA Provsu has also increased significantly. Based on comprehensive data from the assessment system, training and development programs can be designed more specifically and follow the needs of individuals and organisations. Then, it will help ensure that investments in human resource development have maximum impact in improving work quality and achieving overall organisational goals.

Overall, the benefits gained from implementing this competency measurement system strengthen HR management in BKSDA Provsu and increase the organisation's competitiveness and adaptability in facing future challenges and changes. By utilising technology and a structured approach, BKSDA Provsu is better positioned to achieve the organisation's vision and mission more efficiently and effectively.

### **Advice and Hope for the Future**

Mr. Andy provided valuable suggestions to enhance the effectiveness of the employee competency measurement system at the North Sumatra Provincial Civil Service Agency (BKSDA Provsu). He emphasised several key steps that could be implemented to improve and enrich the existing system. One of his primary recommendations was to broaden the scope of competency assessments to encompass all aspects of the job and underline several important steps that can be taken to improve and enrich the existing system. One of the main suggestions is to expand the scope of competency assessment to cover all aspects of the job. Thus, the evaluation will focus on technical skills, interpersonal skills,

leadership, and initiative. It will provide a more holistic picture of the contribution and potential of each employee in the organisation.

In addition, increasing the frequency of competency assessments is also key to monitoring employee development more regularly and in real-time. With more frequent evaluations, BKSDA Provsu can respond to changes in employee needs and performance more quickly and accurately. It will help identify more specific development and improvement opportunities and increase the organisation's responsiveness to internal and external dynamics.

Mr. Andy also suggested strengthening the monitoring and evaluation system as an integral part of the competency measurement process. Tighter monitoring will ensure that the data obtained from the evaluation system is used effectively to make informed and strategic decisions. Periodic evaluations are also needed to assess the system's effectiveness and identify areas of improvement that may be needed.

Furthermore, involving employees in system development is key to creating a more user-friendly and relevant system. By collecting feedback from direct users, BKSDA Provsu can ensure that the competency measurement system is efficient in its use and in accordance with the needs and expectations of various levels of employees.

Mr Andy's hopes for the future of the employee competency measurement system reflect the commitment of the North Sumatra BKSDA to continue to innovate and improve the quality of human resources and overall organisational performance. By further integrating this system with other management systems, ensuring user-friendliness, providing more specific development recommendations, and measuring competencies in real-time, the North Sumatra BKSDA is expected to be better prepared to face future challenges and achieve strategic goals more effectively.

This study found that implementing the updated employee competency measurement system at the BKSDA Provsu has provided several significant benefits to the organisation. One of them is improving the quality of employee competency assessment data. By utilising modern and comprehensive assessment instruments, BKSDA Provsu now has access to more accurate and in-depth data on the abilities and potential of each employee. So, it facilitates more informed and strategic decision-making and supports more targeted career development.

In addition, implementing this new system has also increased objectivity and transparency in the assessment process. By reducing the potential for subjective bias, the North Sumatra BKSDA can carry out fairer and evidence-based evaluations, increasing employee confidence in the integrity of the internal evaluation system.

Increased employee motivation and performance are also positive outcomes of this implementation. By clearly knowing their strengths and weaknesses through the competency evaluation system, employees tend to be more motivated to improve their performance. Employees can create a dynamic work environment oriented towards achieving better results.

The effectiveness of human resource development in BKSDA Provsu has also been proven to increase substantially. With a stronger database from the evaluation system, training

and development programs can be designed to be more focused on following the needs of individuals and the organisation as a whole.

However, the study also identified several challenges to be addressed in implementing this system. Changes in employee mindset and work culture, as well as readiness to use information technology, are some of them. In addition, limited human resources and budget, as well as a lack of coordination between work units, also require serious attention in efforts to improve the effectiveness and sustainability of this system in the future.

Factors that influence the effectiveness of implementing the employee competency measurement system at the BKSDA Provsu can be divided into internal and external. Internally, the commitment of organisational leaders is the key to supporting the success of the implementation. The support provided is in the form of adequate resource allocation and policies that support sustainable HR development.

Human resources' readiness to adopt and utilise information technology is also crucial. Employees using new systems will be better prepared to accept change and optimise its benefits. In addition, adequate infrastructure, such as computers, internet networks, and software, supports the smooth implementation and operation of new systems.

On the external side, government policies that support the development of employee competency measurement systems will help smooth the implementation process in various organisations. The rapid development of information technology also opens up opportunities to develop more sophisticated and efficient systems for evaluating employee competencies.

The increasingly tight competition between organisations is also a motivation for BKSDA Provsu to continue to improve the quality of its human resources. By implementing a better competency measurement system, BKSDA Provsu can position itself more competitively when facing global and local challenges.

With awareness of the challenges that need to be overcome and the need to utilise the existing opportunities, BKSDA Provsu is committed to developing its employee competency measurement system in a better and more sustainable direction. Thus, they cannot only meet the demands of the times but also maintain the competitiveness and relevance of the organisation in the future.

#### IV. CONCLUSION

This study found that the updated employee competency measurement system at BKSDA Provsu has provided several benefits for the organisation. However, there are still several challenges that need to be overcome. Factors influencing the effectiveness of implementing the employee competency measurement system at BKSDA Provsu can be categorised into internal and external factors. This study also recommends several things to BKSDA Provsu and other organisations that want to implement an updated employee competency measurement system.

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