OPENING UP THE 'BLACK BOX' OF COMPETENCE DEVELOPMENT IMPLEMENTATION

Linda Karlsson

Bachelor Thesis
15hp

Varberg 2013-08-04
Opening up the ‘black box’ of Competence Development Implementation:

- “how the process of Competence Development implementation is structured in the Swedish debt-collection industry.”
Abstract

In spite of the need for organisations to develop competencies among its employees as a source for gaining competitive advantage, and in spite of previous research efforts to find out what contributes to it and the effects of it, the process of Competence Development (CD) implementation is still a ‘black box’, whose internal linkages are unknown. Furthermore it is noticed in previous research that there is a lack of empirically-based research in organisations, and the purpose of this dissertation is therefore to explore the process of CD implementation, as perceived by employees within the debt-collection industry of Sweden.

A case-study on a Swedish Debt-Collection Company was conducted, and data collected through interviews with employees and managers, in order to find out how the process of CD implementation is structured. In order to investigate the internal linkages in the process an extensive literature review was performed in the field of CD, and used for developing a conceptual model, showing how the various stages interact and depend upon each other in gaining competence among its employees. The model was then tested empirically and the findings suggest that the CD implementation was structured mostly in line with the model, although adjustments had to be made.

The findings suggest that in the process of CD implementation conceptualisation of CD plans and selection of participants is conducted in one integrated step and not two distinct steps, as suggested in previous literature. Performance Management and Reflection- and Evaluation are not conducted in two steps but more or less simultaneously. Furthermore, this study suggests that it is the organisation’s responsibility to provide a foundation, opportunities and resources that enable CD, while the employees themselves set the standard for how much they will take advantage of it. Therefore this study argues that if employees can have input and influence on each stage of the process, better outcomes will be provided since it will be aligned with their objectives, personal and professional.

Up to this point, the process of CD implementation has been a ‘black box’, a mechanism that generates a certain level of output but whose internal workings are unknown. It is important to open up that box and to understand how CD operates to produce superior performance for an organisation. The findings in this study help to bridge that gap better, and are useful for managers conducting and implementing Human Resource practices that aim to develop competencies among the company’s workforce in order to gain better performance.

Key Words: Competence Development, Resource-Based View, Organisational Learning, Competence Development Implementation, Sweden.
Table of Contents

Abstract ................................................................................................................................. III

List of Figures ......................................................................................................................... VI

Explanation of Acronyms ....................................................................................................... VII

Acknowledgements ................................................................................................................ VIII

1) Introduction ......................................................................................................................... 1

1.1) Background ....................................................................................................................... 1

1.2) Problematisation .............................................................................................................. 2

1.3) Purpose ............................................................................................................................. 5

1.4) Research Question .......................................................................................................... 5

1.5) Limitations ....................................................................................................................... 5

2) Literature Review ............................................................................................................... 7

2.1) Historical overview ......................................................................................................... 7

2.2) Definition Competence VS Competency ......................................................................... 7

2.3) Competence Development .............................................................................................. 8

2.4) Resource-Based View of Competence ........................................................................... 10

2.5) Process of Developing Competence ............................................................................... 13

2.6) A Model for implementing Competence Development ............................................... 16

3) Methods ................................................................................................................................ 23

3.1) Research Approach ........................................................................................................ 23

3.2) Research Design ............................................................................................................. 24

3.3) Research Strategy ........................................................................................................... 24

3.4) Time Horizon .................................................................................................................. 25

3.5) Data Collection ............................................................................................................... 25

3.6) Operationalization .......................................................................................................... 28

3.7) Credibility of Study ......................................................................................................... 35

3.8) Ethical Considerations .................................................................................................... 36

4) Analysis of Empirical Findings ......................................................................................... 37

4.1) Presentation of Participants ............................................................................................ 37

4.2) Awareness and Interest for CD ..................................................................................... 37

4.3) Conditions for implementing CD .................................................................................. 39

4.4) Identification of Competency Gap ................................................................................ 40

4.5) Conceptualising plans for CD ....................................................................................... 42

4.6) Organisational Development ....................................................................................... 43

4.7) Performance Management, Evaluation and Reflection ............................................... 46

4.8) Participants’ engagement for improving the process of CD implementation ............... 48
5) Discussion.......................................................................................................................... 49
  5.1) Summary of Dissertation............................................................................................... 49
  5.2) Refining the Conceptual Model..................................................................................... 50
  5.3) Possible Contributions ................................................................................................. 52
6) Conclusions.......................................................................................................................... 53
  6.1) Concluding remarks....................................................................................................... 53
  6.2) Critical Reflections....................................................................................................... 54
  6.3) Managerial Implications .............................................................................................. 55
  6.4) Recommendations for future research ........................................................................ 55
References................................................................................................................................ 56
Appendices ................................................................................................................................ 61
  Appendix 1) Kolb’s Learning Cycle .................................................................................... 61
  Appendix 2) The Research ‘Onion’ .................................................................................... 61
  Appendix 3) The interview guide ...................................................................................... 62
List of Figures

Figure 1) Model for Competence Development Implementation .................. 20
Figure 2a) Part one of the developed Model........................................ 21
Figure 2b) ‘Sub-processes’ of the developed Model................................. 21
Figure 2c) ‘Core-Process’ of the developed Model................................. 22
Figure 3) Refined Model for Competence Development Implementation....... 50
**Explanation of Acronyms**

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>CD-</td>
<td>Competence Development</td>
</tr>
<tr>
<td>HRM-</td>
<td>Human Resource Management</td>
</tr>
<tr>
<td>SDCC-</td>
<td>Swedish Debt-Collection Company</td>
</tr>
<tr>
<td>RBV-</td>
<td>Resource-Based View</td>
</tr>
<tr>
<td>HRD-</td>
<td>Human Resource Development</td>
</tr>
<tr>
<td>CC-</td>
<td>Core Competencies</td>
</tr>
</tbody>
</table>
Acknowledgements

This dissertation concludes my studies at Halmstad University. I have learned a lot during this journey both academically and personally. I would like to thank my supervisor Timurs Umans for his support, benevolence and knowledge in helping me through this process. He has continuously challenged me and provided guidance to make this dissertation as good as possible. I would also like to thank Catharine Ross at University of Worcester for advice on grammar, and the Swedish Debt-Collection Company who provided me with study participants. Finally, I would like to send a special thanks to my fiancé, Tommy Linder, for his relentless support, encouragement and belief in me and my abilities during various challenges this final year.

Linda Karlsson
1) Introduction
The first part of this dissertation will present the background of this study, problem, purpose, research question and limitations.

1.1) Background
Today’s highly unpredictable and uncertain business environment is extremely challenging and “requires the development of new competences” (Suikki et al. 2006: p.723). Competence is linked to Human Resource Practices that allow a company to build company-specific human capital (Batt 2002). This in turn, if done correctly, can lead to a valuable source for sustained organisational competitive advantage (Suikki et al. 2006). Furthermore Competence Development (CD) has been found to have a positive contribution in achieving competitive performance (Ellström & Kock 2008) which is of interest for any company that operates under increased market pressure, as it creates a need for competent workers (Sunthonkanokpong et al. 2011) worth further investigation.

A change in the economic climate over the past few years in Sweden due to the worldwide recession has made companies tightening their budgets (Globaliseringsrådet 2009). Spending on employees’ opportunities for training and CD are often one of the first areas that fall prey to cutbacks (Wright et al. 2001). However, several researchers indicate the positive outcomes a company can achieve by investing in their employees (Ellström & Kock 2008; Crawshaw et al. 2012; Lai 2011). This complex situation with the need for a competent workforce and CD as a way of ensuring the organisation’s competitiveness (Suikki et al. 2006) combined with lack of empirical research in how it is deployed within the service sector (Batt 2002; Guest et al. 2003), in particular the debt-collection industry, is an interesting environment for focusing on how the process of CD implementation is conducted in times of tough market pressure and increased competition. The theory developed so far does not adjust to this particular context within the finance sector, and CD differs between industries (Sultana 2009), therefore recognising a need to further investigate the process of CD within this particular context.

Managers are in daily contact with their employees and the one to implement the Human Resource Practices. Therefore, they are also the ones who influence and shape the perceptions of the employee regarding the implementation process and experience of the employee relationship (Sonnenberg et al. 2011). In recent empirical research there has been a movement within the area of Human Resource Management (HRM) arguing that “employee attitudes are influenced not by the way HRM practices are intended by the
management, but by the way they are actually implemented and perceived by employees” (Kazlauskaitė et al. 2012: p.139) suggesting that more research needs to be conducted that uses employees as respondents and not managers. By taking the perspective of employees and how they value and perceive the process of CD implementation within the company they work for, valuable insight can be given to reach that competitive performance.

Therefore, the debt-collection industry as a part of the finance sector can provide an interesting research object as it is a growing and global industry with increased competition that works as the linkage between indebted customers and exacting companies (Spector 2012). Furthermore, this industry is heavily influenced by policies, moral obligations and regulations that an employee need to be aware of and address in their daily work (Datainspektionen 2011). It is the debt-collection company’s responsibility “to establish and implement clear, effective and appropriate policies and procedures for engaging with debtors” (Office of fair Trading 2011: p.9) and the responsibility for proper education, training, feedback and CD are therefore on the behalf of the Organisation, as many of the professions in this industry lack in formal educational programs to recruit people from (Birk 2013). However, it is not a work for everyone. While some people cope fine with the challenges of discussing money- and debt issues with people that are often disgruntled or concerned others find it tougher, demotivating or even depressing and therefore the business is partly concerned with high employee turnover (ibid.). The lack of empirically-based research on CD on specific companies and organisations are known and recognised to need further investigation (Ellström & Kock 2008), as the need for skilled employees present a significant challenge for the entire debt-collection industry (Birk 2013).

1.2) Problematisation

The function of personnel management within HRM has traditionally been viewed as a function among others in the organisation. However, more recent research conducted by Ansari (2011: p.122) indicates that it can be used as a tool for other purposes, in where HRM is about attaining a “competitive advantage through effective utilization of human resources”. While other resources can be gained in the market, the acquisition of a highly skilled and motivated workforce is difficult for a competitor to duplicate or imitate (McFarlin & Sweeney 2011). Since the competence of the workforce is essential to achieve organizational effectiveness, resulting in performance, the workforce and their wellbeing are not affordable to be ignored by the management (Lai 2011). The organisation’s ability to achieve this depends on the whole organisation and resources. The way it manages its intellectual capital will guide how to manage competence. Knowing this, one does also need to recognise that
“the process, which results the outcome, is as important as the result itself” as argued by Suikki et al. (2006: p.727).

Training is a part of CD and can help employees to “grow individually alongside the organisation itself” (Ansari 2011: p.131) known as personal development. In times of recession or reorganisation there will be periods when the employer is unable to provide desired kinds of training and CD, and at these times employees are found to be more frustrated with those opportunities if viewed unfavourably (Crawshaw et al. 2012). Therefore, employers way of allocating training, career development opportunities or supporting CD are to be considered as a sensitive area to operate within.

Recent research by Hoekstra (2011) suggests that organisations investing in career development of employees are those whose value careers hold for them. The meaning of an individual’s career for the organisation and the environment it operates in, is in the expected contribution that is to be made over time to the goals valued by the particular organisation (ibid.). Why organisations choose to invest in CD or not, is a subject undertaken by several researchers. Some argue that the lack of knowledge about CD and Human Resource Practices overall can be an explanation why it is not heavily widespread in some industries or countries (Ansari 2011; Sunthonkanokpong et al. 2011) while others argue that it often are external factors such as increased customer demand, increased competition or reduced order intake that can be a factor contributing to CD in a company (Ellström & Kock 2008).

However, the potential value and return of investment in training and CD is claimed to be dependent on how well the organisational system supports it, in terms of priority from management’s point view and resources allotted (McDonald & Hite 2005). Moreover, the culture in place within a company, its attitude toward learning as a whole and value of education in particular, is considered as a reason why some organisations more than others undertake CD among their employees (Ellström & Kock 2008). That said, benefits from conducting CD in a company have been found on both an individual level, such as better ability to handle tasks, a better overall view of the job, greater responsibility and increased job-satisfaction (Ellström & Kock 2008), as well as on an organisational level including improved quality, retained personnel and increased customer satisfaction (Sunthonkanokpong et al. 2011). All of which can be considered as desirable attributes to an organisation.

Within the area of CD, the usages of quantitative methods are a characteristic feature of current research (Sunthonkanokpong et al. 2011; Crawshaw et al. 2012; Lai 2011). To
investigate the process of implementation of CD as perceived by employees can gain a richer understanding of the phenomenon and avoid getting trapped in what is known as the 'black box' problem; data collected from single respondents via surveys with "quantitative analysis to produce results such as profit or shareholder value" (Kinnie et al. 2005: p.10). Therefore a qualitative study can bring new insight to the relatively unexplored debt-collection industry. Furthermore, prior research have mainly used informants with influential positions in an organisation (Sayyen 2010) or the managerial viewpoint (Bhamra et al. 2011) and therefore not looked at the way this implementation process actually is perceived, experienced and evaluated by those undertaking it, which can be studied with more comprehensive research methods than causal theory testing ones.

However, a few studies are conducted in other cultural settings and different sectors than the debt-collection industry, exploring employees’ perception of career development in depth (Pinnington 2001), and CD (Sunthonkanokpong et al. 2011) either with managers considered as employees in an organisation (Sayyen 2010), or from the subordinates perspective (Crawshaw et al. 2012). More empirical studies from the subordinate’s viewpoint are needed when trying to understand the dynamic process of competence as argued by Drejer (2001, as quoted by Suikki et al. 2006: p.728); “it is via the individuals of a competence that the competence’s level and development must be studied”. Others explore employees’ perception of opportunities to utilize those competencies, as it has been found that “noteworthy gains may be achieved by making efforts to satisfy employee’s need to utilizing their competencies that have been acquired through training and development” (Lai 2011: p.153). However, empirical studies of such within the cultural settings of Sweden are limited, and conducting a research within a specific company can gain additional insight to this field.

Studies have shown that a company’s Human Resource Practices trigger significant effects in enhancing organisational performance (Ansari 2011; Ellström & Kock 2008; Kazlauskaite et al. 2012), but the link from those distinct practices to performance, or more specifically the process of implementation is still unclear, claimed by Suikki et al. (2006). Gaining a deeper understanding from the Resource-Based View (RBV) into empirical research require focus not only on competencies and capabilities of an organisation, but also the role that management play in developing these. This requires recognition that the inimitability of an organisation competencies may stem from causal ambiguity, complexity and path dependence, which in turn implies that positioning a relationship between Human Resource Practises (in where CD is one) and sustained competitive advantage is not enough (Wright et al. 2001), but that the process of implementation might impact the result in different ways, contributing to a more complex view than what has been researched so far.
Therefore, this study aims to contribute to existing research by investigating the process of CD implementation as suggested by Srivastava (2005). It will take the employees’ perspective as it has been argued crucial when trying to understand the dynamic process of competence (Drejer 2001; Mulder & Collins 2007). Furthermore, there is limited empirical research conducted within the service sector, which can be viewed as a weakness of the HRM-performance research (Batt 2002; Guest et al. 2003) and by conducting this study within the debt-collection industry, as part of finance- and service sector, with contextual methods for data-collection will help to bridge that gap.

1.3) Purpose

The purpose of this dissertation is to explore the process of CD implementation as perceived by employees within the debt-collection industry. This research is interested in exploring the gap between factors contributing to CD and results of it. The outcome of this study will gain insight about how the process of implementing CD gives different outcome in terms of performance, useful for companies practicing HRM in general and CD in particular.

1.4) Research Question

“How is the process of Competence Development implementation structured in the debt-collection industry?”

This study will contribute theoretically by exploring the implementation process of CD strategies, methodologically by developing a specific interview guide for investigating those processes. Finally, it will also make a practical contribution by investigating the process of CD implementation as perceived by employees, within a single company operating within the Swedish context.

1.5) Limitations

Theoretical limitations are present in this dissertation. It uses a few established theories as a foundation for investigating how the process of CD implementation is structured within a specific part of the finance sector, the debt-collection industry. The theoretical paradigm takes stance from the Resource-Based View of competence, as it examines an organisation’s potential capabilities in gaining a competitive advantage through a strategic use and development of its human capital. Thereafter the different ‘layers’ or hierarchies of competence will be investigated, including the theory of Core Competencies, Critical Competencies and also touch upon Dynamic Capabilities, all which have distinct abilities to contribute to organisational success. Theory connected to the competency based view of strategy, with employees as a central focus, are investigated in order to gain a more complete and fair view of the complexity of CD implementation in an organisation. Finally, the
stages one move through for becoming more competent are not linear, but a circular process and therefore will Kolb’s (1984) theory of learning from experience be extended with this competency based view, and a theoretical inspiration when developing a model for CD implementation.

Empirical limitations are also evident in this study, mainly due to the limited time one has to complete a dissertation. It is conducted in one country and on one organisation in a specific part (debt-collection industry) of the finance sector. Therefore may this research not be sufficient to draw general conclusions. It is also limited to find out how the process of CD implementation is structured, therefore is its aim not to study empirically why the organisation conducts CD, nor the outcomes of it.
2) Literature Review

This part of the dissertation provides an historical overview, defines Competence and CD and discusses the Resource-Based View of strategy. Furthermore, the process of developing competence is investigated, and evolves in a model for implementing CD.

2.1) Historical overview

Competence has received attention in the field of Human Resource Development (HRD) since the 1970’s as a way of identifying effective leaders for companies (Sultana 2009). Further has it become a basis for professional development programs and competence-based training in USA, Australia and Europe. In the 1980’s critique was developed, challenging both its very notion and approach towards training and development, focusing on the ambiguity of the concept. Behaviourists argued that “competence approaches were considered to focus on performance at the expense of complex intellectual processes, and reflection in and on action” (Sultana 2009: p.18). While new approaches toward competence were underpinned by cognitive notions of training and development, and although all issues arising against it has not yet been solved, has it once again gained popularity. Within the countries of EU has CD become a way for companies in various industries of how to cope with the fast pace of change, how to identify new competences required and how to change education- and training systems to gain a competitive advantage better (ibid.).

During the years of use and development of competence within different organisations has the concept of CD created a discussion of what it really is, or consists of. Therefore will the following section assert the need for defining how this study will view Competence and CD onwards.

2.2) Definition Competence VS Competency

Evident in previous research is a discussion regarding how to use and define Competence and Competency. One viewpoint is presented by Sunthonkanokpong et al. (2011: p.56) in where “competence and competency can be used interchangeably”. However, in terms of application focus competence on skills as a standard of performance, ‘what people can do’ while competencies focus on “how they do it” (Sunthonkanokpong et al. 2011: p.56). Ellström & Kock (2008) refer to the term competence as capacity of an individual (or collective) to successfully handle certain situations, or complete a certain task. However, an individual may possess a range of competencies not required by the task, implicit or explicit expressed by the employer; “Conversely, a certain job may require qualifications that do not correspond to the actual competencies of the individual (or the collective)” (Ellström & Kock 2008: p.6) and by this “the concept of qualification focuses on competencies that…are valued by an
internal or external labour market, that is, competencies that have an exchange value” (Ellström & Kock 2008: p.6).

Competence consist of four factors A) cognitive competence that involves the use of theory and concepts B) Functional competence that refers to skills or ‘know how’ C) Personal Competence that involves knowing how to conduct oneself in a specific situation and D) Ethical competence that involves the possession of certain personal and professional attributes (Sultana 2009). However, being, knowing and doing are all integrated and the different degrees of complexity do overall relate to one’s ability to deal with complexity, unpredictability and change. Therefore, the better competence an individual possesses the more self-directedness and critical reflection on part of the employee no matter the field one operating in (Sultana 2009). These factors and viewpoints are also highlighted by Suikki et al. (2006) in where the authors view competence in different perspectives; Theoretical-, Operative-, Technical- and Unique competencies which contributes to explaining how competence grow from individual factors, organisational culture and task-specific skills all together, bringing the concept of CD together, defined and discussed further in the next section.

2.3) Competence Development

It is not difficult to understand that the concept of competence time to time appear to be a ‘fuzzy’ one. However, this study will adopt the viewpoint presented by Ellström & Kock (2008) in where the concept of competence has different implications for CD, both individual and organisational. Therefore, CD is defined “as an overall designation for the various measures that can be used to affect the supply of competence on the internal labour market (in individuals, groups of employees or the whole personnel group)” (Ellström & Kock 2008: p.7). These measures refer to recruitment, promotion, career planning, personnel mobility, training and job development to name but a few in which CD can be linked to (Lai & Kapstad 2009).

Dilschmann et al. (2000) claim that CD is a concept that has to be put in relation to its situation. Therefore do the requirements for competence, experience and ability vary from situation to situation and cannot be equated with knowledge (ibid.). While knowledge can help an individual function better in a particular context, it does not mean ones has a greater competence in relation to the task, according to Axelsson (1996), arguing that competence is a combination of knowledge, experience, desire and motivation. By this is a part of CD related to personal development, in where organisations efforts for CD can help to bring commitment (Ansari 2011) and motivation (Lai & Kapstad 2009) among the workforce, gaining the organisation positively in achieving better performance, efficiency and
competitive advantage. A workplace that facilitate and stimulate CD has been argued “essential for employees’ health, well-being and personal development” (Nilsson, 1996, p. 206) and therefore can CD be viewed as a combination of individual and organisational development (Axelsson 1996). Without willingness and motivation to gain knew skills, no development will take place (ibid.). Therefore, two assumptions are done about CD when discussing the concept further in this paper. First, there will be no CD as long as the individuals attending do not change, and thereby take advantage of the new skills acquired (Drejer 2001; Axelsson 1996). Second, the following will discuss complex instances involving a number of individuals, and not just one, as this is the common environment of organisations. However, each individual or group of individuals has different background, experience and interest in CD which need to be taken into consideration and therefore reviewed further below.

Employee’s view of the CD concept

One factor to consider when undertaking CD is the employees’ subjective need for CD and their previous experience of it. Social- and educational background will most truly impact on their view of learning and individual development (Ellström & Kock 2008). This will be crucial in order to avoid some dysfunctional effects of CD, known as a mismatch between the employee and organisation’s requirements and wanted outcome (ibid.).

How CD is understood and varies within one service sector has been researched by Pinnington (2001) among lawyers in their early career in Australia. Pinnington (2001: p.461) argues that their “self-understanding is strongly influenced by their past background, career stage and position in the organisation” and that employees’ perspective of CD and career advancement differs. Therefore, any employee’s expertise and work experience is to be considered as human- and relational capital that can be transformed into a capability for benefitting clients, peers as well as for themselves as advancement of career. However, the responsibility for development of career and competence is argued by Hoekstra H. (2011) to be the individuals themselves; “hence for negotiating employment conditions and opportunities for further development” (Hoekstra 2011: p.159) while a complementary viewpoint is presented by Maxwell et al. (2007: p.367) in that “employers have responsibility for the organisational context of careers”. Therefore results a career from different transaction processes between personal- and contextual factors, and evolve over time.

CD can be divided in two different theoretical viewpoints. Firstly the technological-functional view. A market-related rational goals-means process where CD is “governed by a mismatch between the demand for and supply of qualifications in the company’s internal labour market”
Secondly, the institutional view of CD in where emphasize is on the non-rational processes that control investments. To effectively arrange HRM policies and CD practices that promote employee attitudes and behaviours have therefore been found essential for organisational prosperity. Therefore has a relational rather than economic perspective on transparency, consistency, allowance of employee input and influence, suppressing of bias and basement on accurate and relevant information been found “more relevant when trying to understand employee reactions to their employers’ policies and decision making” (Crawshaw et al. 2012: p.16).

Through defining competence and its relation to CD the next section will discuss within which theoretical paradigm this study takes place and how it is closely connected to core competences of an organisation useful for achieving a competitive advantage.

2.4) Resource-Based View of Competence

This study operates within the resource-based view (RBV) originally developed by Barney (1991), relating to Business Strategy and Strategic HRM in an organisation (Wright et al. 2001). Instead of a positioning approach favoured by Porter which argues that an organisation’s performance derives from its products, production and marketing relative to its competitors (Clardy 2008) the RBV examines potential capabilities in an organisation and how to strategically use them to achieve superior performance and a competitive advantage (Johnson et al. 2011). The RBV has been clearly instrumental to the development of HRM by shifting the emphasis away from external factors as a source for competitive advantage towards internal factors (Srivastava 2005). This brought legitimacy toward ascertain human capital as a strategic asset in gaining competitive advantage (Wright et al. 2001).

Strategic Capabilities

The strategic capabilities of a firm can be divided into two components, first; Resources that are those specific assets and skills that an organisation can call upon to develop and implement their strategies, what the organisation ‘have’ (Johnson et al. 2011). Furthermore a company’s resources can be divided into three categories of physical capital, organisational capital and finally human capital (Srivastava 2005) which this study focuses on. However, as argued by Sayyen (2010: p.38) “resources alone do not create value” but “value is created by an organization’s ability to manage and organize its resources to achieve a desired outcome”. This is where Competency plays part as being the other component of strategic capabilities. It considers ‘the way’ those assets are deployed and used effectively to generate that output (Johnson et al. 2011).
Through the application of competencies, an organisation can develop capabilities that in turn refer to the organisation’s capacity to deploy resources through actions (Sayyen 2010). It can be any functional subsystem of an organisation from marketing to HRM systems and therefore the foundation for Core Competencies (CC) and sustained competitive advantage (Claridy 2008). Furthermore, previous research has highlighted that competencies are areas limited in empirical investigations (Srivastava 2005), although it is argued not to be possible to duplicate or acquire as assets can be (Claridy 2008), and therefore of interest for organisations to develop.

There are different ‘layers’ or hierarchies of competencies, all with distinct abilities to contribute to organisational success which will be presented in the following sections.

**Core Competencies**

Although the foundation for the concept of Core Competencies (CC) can be drawn from the 1950’s, the research field of it is relatively new with most contributions during late 1980’s and early 1990’s according to Bhamra et al. (2011). The overall view of the organisation’s core-competencies are found to be the “set of skills, activities and resources that, together, deliver customer value, differentiate a business from its competitors and potentially can be extended and developed as market change or new opportunities arise” (Johnson et al. 2011: p.89).

CC “exists at the corporate level of organisational business strategy” (Bhamra et al. 2011: p.2732) and are complex and intangible in nature, built from certain competencies that are incorporated with units of an organisation. Those in turn are the result from cross- interaction of resources providing the building blocks for gaining CC. By this are CC difficult to assess, as it is at a higher level in an hierarchy than resources or capabilities (Bhamra et al. 2011).

The RBV holds that organisations need to know whether they have the strategic capabilities to achieve and sustain competitive advantage, in where four criteria need to be met by the strategic capabilities (Johnson et al. 2011). According to Barney (1991) have they to be; Valuable to customers, Rare, Inimitable and Non-Substitutable (VRIS). May they not be around, can they possibly be developed and learned. Therefore are CC knowledge-based, however not solely human, argued by Wright et al. (2001). It comprises of human capital, social capital and organisational capital which do not negate the importance of Human Resources, but amplifies and extends it. The effects of those Human Resource practises are more encompassing in that they help create skills and behaviours within the broader context of organisational processes and ultimately also competencies (Wright et al. 2001). Claridy (2008 p.391) suggests that for CC to be a source for sustained competitive advantage they must be difficult to obtain and in practice they are therefore based on Human Resource
performing “in the context of a unique sociotechnical system”. Furthermore when the core competency exists, is it the organisational routines (as in patterns of interactions) that enable the sustained organisational performance in the long-term view.

As highlighted earlier, companies of today operate in a turbulent environment and therefore are competencies not a stable concept, but a changing one, requiring organisations to develop new competencies or capabilities within its dynamic environment. This refers to Dynamic Capabilities which represents the renewal process that an organisation has to undergo in order to stay competitive. Dynamic Capabilities require change in competencies as markets change, and this on the part of both the company itself and the people within it (Wright et al. 2001).

**Critical Competence**

Srivatsava (2005) argues that the possession of core competencies itself will not result in competitive advantage of a company, but are in similarity with dynamic capabilities, dependent on the way they are utilised for adding value. By referring to what he defines as ‘critical competence’, as the highest level in the hierarchy of competencies he undertakes research on Indian railways on a specific company’s ability to manage this ‘critical competence’. By extending the discussion further have CC time to time be modified, maintained or even abandoned in order to avoid them being a drain of resources. Srivatsava (2005) concludes that for organisations to achieve a sustainable competitive advantage, critical competence is needed.

Gaining a deeper understanding of the RBV and how CD can be delivering competitive advantage focus not only on competencies and capabilities, but also the role that management play in developing these. This requires recognition that the inimitability of an organisation’s competencies may steam from causal ambiguity, complexity and path dependence which in turn implies that positioning a relationship between Human Resource Practises (in where CD is one) and sustained competitive advantage is not enough (Wright et al. 2001). This emphasises on that the process of implementation might impact on the result in many different ways, contributing to a more complex view than what has been researched so far and exemplifies the interaction of people and processes as they comprise competencies. Therefore will the next section will investigate the process of CD implementation further.
2.5) Process of Developing Competence

As the concept of CD evolves from developing a philosophy and determining goals, a framework will be presented in the end of this subchapter as a guide how this study will investigate the implementation process of CD in a specific organisation.

Business success is increasingly based on the continuous improvement of an individual organisation’s ‘core business’ as argued above. In order to stay ahead of competition mobilisation of individual strengths, knowledge and expertise have to take place, which in practice means to utilise potential in the organisation as a factor for success (Bergenhenegouwen et al. 1996; Lai 2011).

Conditions and strategies used for CD

As soon as organisations start concentrating on how to gain CC they will have to pay attention to the competence of their employees (Bergenhenegouwen et al. 1996). How to gain competence is moreover known as process of learning (Drejer 2000). It refers to how to do things better and better, therefore closer to the objectives for the output of competence. Defined by Drejer (2001: p.7) “as a function of the demands of the customer” which can be either internal or external to the company. By this the development into being more competent is a function of learning among individuals which involves a reciprocal interaction between employer and employees, not restricted to a particular job, career path or even organisation, argued by McDonald & Hite (2005).

Conditions related to the organisations external environment important for CD in organisations include business sector, market position and pace of technological development while internal conditions are learning climate, organisational structure (Kock et al. 2007) and organisational culture (Maxwell et al. 2007). By viewing these conditions as driving forces for CD, Kock et al. (2007) tries to understand how they are connected to strategies used for CD within a Swedish context. Their findings suggest that both external and internal conditions are important when business undertake CD, but not limited to why they participate in it, but for how they participate in the strategies used for carrying out CD.

Competencies are found closely linked to an organisation’s capabilities of Human Resources, and any strategy based on it should involve the HRD function according to Clardy (2008), where the potential for successful execution will depend on the ability to asses and identify CC. This in turn can in the simplest ways be done through rating the extent to which a competency meets the VRIS criteria based on a traditional SWOT analysis of strengths, weaknesses, opportunities and threats. When then analysed as either an asset or
capability those factors meeting VRIS can be further assessed through i.e. interviews with managers (ibid.).

A distinction can be made between two strategies used for CD. One strategy is known as ‘formal learning strategy’ which is based on courses for employees inside and outside of the workplace, development of their individual competence with an aim to improve employees’ ability to perform better in the daily work, such as using new technology. The other is known as ‘integrated learning strategy’ which integrates improving employee’s skills through combination with changes of task or work organisation. This focuses not only on the individual’s skills but also on the business as a whole (Kock et al. 2007).

Research conducted by Crawshaw et al. (2012) argue that within the competitive and unpredictable environment that companies of today operate in, there have been an increased attention to flexibility and efficiency resulting in more ‘short-term contracting’ or out-sourcing of ‘non-core functions’, undermining the trust in the employment relationship. This in turn contributes to an emerging group of employees looking out for their own interests rather than the ones of their company, giving implications for an individual’s career aspirations that can have negative implications in work attitude and job involvement (behaviour). In order to deal with this issue a suggestion is to provide employees with a range of career- and competence development opportunities that will increase commitment, loyalty and ultimately performance (Crawshaw et al. 2012). Moreover, employees’ commitment to their organisation are found to derive from their perceptions of their employer’s organisational actions and support of HRM practices, in where training and development takes part (Scheible & Bastos 2012). Therefore it is of importance to study the process of implementing CD further, which aims to contribute to better bridge the gap between inputs of resources to output of performance.

**Effects of Competence Development**

Some effects of CD in earlier research are found connected to increased motivation for learning and work as well as more independence on an individual level. Opportunities for psycho-social development included increased self-confidence and self-fulfilment (Nordhaug, 1991 cited in Ellström & Kock 2008) which is supported by Kock et al. (2007) who adds better ability to handle tasks, a better overall view of the job, greater responsibility and increased job-satisfaction, all of which are desirable attributes to an organisation.

On organisational level, economic effects such as improved quality, retained personnel and increased customer satisfaction are found (Sunthonkanokpong et al. 2011). Symbolic effects including increased participation, trust and improved decision-making ability are also evident (Ellström & Kock 2008). However, the potential value and return of investment in CD is found
dependent on how the organisational system supports it, in terms of priority from managements’ point of view and resources allotted (McDonald & Hite 2005). Bhamra et al. (2011) found that practitioners within the manufacturing industry in UK were not aware of tools and techniques that could guide them in developing competence, giving implications for further investigation within a Swedish context.

Therefore, the perceived organisational support and employee’s perception of HRM practices are found to positively relate to employees’ affective commitment to an organisation (Des Vos & Meganck 2008), which relates to organisational commitment that can contribute to better performance (Ansari 2011).

By using a competency framework can an organisation build a snap-shot over current knowledge and skills portfolio of its workforce, which can be utilised to identify competency gaps and design actions accordingly (Gangani et al. 2006). Therefore will this study extend Kolb’s (1984) model of the learning cycle (see appendix 1) with the competency based view of strategy in order to gain a more complete, fair view of the complexity of CD implementation in an organisation. The characteristics of the learning cycle and competence-based view will be presented in more depth in the following two sub-sections resulting in the proposed model for CD implementation.

**Competence-based Systems for gaining Competence Development**

To identify a company’s competence needs, competence gaps or even supporting activities for CD through training and coaching a ‘Competence System’ can be useful. It aims to support handling competence in both short-term and long-term perspectives for an organisation (Lindgren 2005).

As many organisations are traditionally based on principles of a hierarchical system in where the job is closely linked to the job description regarding responsibility and duty, they also often fail to present the employees with challenges to develop successfully (Bergenhenegouwen et al. 1996). An alternative organisational design is where the competences of the employees are central. A competence-based system in an organisation uses the individual as a starting point, not the job, which changes the way they recruit, appraise, develop training and career guidance for their employees (ibid.). Here are employees’ capacity and motivation essential in achieving improved levels of performance. Although found in some professional service organisations (i.e. Doctors and Accountants) it may be difficult for an organisation to totally change course. However, the view of the employee as central is a part of the foundation for building the model of how to implement CD onwards in this dissertation. Therefore should a competence be viewed as a system that
if dealt with in a systematic way can gain CD, resulting in performance. As individual elements are related to each other it emphasise on the way in which employees interact as an essential part of a competence (McDonald & Hite 2005) which point towards organisational learning in relation to CD (Drejer 2000) for building the model onwards.

**Organisational Learning**

By being vital for gaining CD is learning the other chosen foundation for developing a model for CD implementation for two reasons; first-“when a competence is developed this will be related to the human beings element of that competence” as argued by Drejer (2000: p.210). Secondly, competence in itself is closely related to the process of learning, that one have to go through in order to become more competent.

The stages an individual move through for becoming more competent is not linear but can be described as a cycle process (Pauleen et al. 2007). From Kolb’s (1984) perspective of learning from experience an organisation need to complete a cycle of the model in order to gain competence, which is done by turning actions into experience which then has to be reflected upon. Thereafter one has to change those actions to develop a plan for new action strategies according to the solutions decided upon (Drejer 2000). Furthermore can Kolb’s cycle of learning be expanded to a collective level and used as theoretical inspiration for developing methods for collective CD (Cronholm & Goldkuhl 2010). This leads to the development of a model for how CD is implemented in an organisation, with learning as a circular process, further presented below.

**2.6) A Model for implementing Competence Development**

Step by step the different stages for implementing CD in an organisation are presented. In the end of this sub-chapter a complete model will arise for how to implement CD development in an organisation based on the findings in the reviewed literature.

**Conditions for implementing CD**

An organisation's performance is increasingly based on the continuous improvement of the organisations ‘core business’ and in order to stay ahead of competition the organisation need to utilise that potential as a factor for success. Since the development of competence is a function of learning, it involves a reciprocal interaction between employer and employees (McDonald & Hite 2005; Drejer 2001). In this model conditions required for implementing CD are both external, such as market position, pace of technological development, business sector and demands of customers (Kock et al. 2007). Others are internal conditions including learning climate, interest among employees, organisational structure and an open culture as highlighted by Mulder & Collins (2007; p.18); “the costs to implement the development of
competence profiles, competence assessment and competence development can be high and there must be an open organisational culture of cooperation”, in order to achieve desired results.

Depending on how well the conditions for gaining CD are in place, various evaluation processes will be executed regarding current situation and processes. Since the RBV examines potential capabilities and how to use them in order to achieve superior performance and competitive advantage (Johnson, et al. 2011), it will recognise room for improvement which leads to the next step in this implementation process model of identifying the Competency Gap.

**Identification of Competency Gap**

By analysing the current situation an organisation can identify competency gaps and ineffective current processes which will give guidance on what areas need to be reengineered and designed differently to improve output.

Therefore can definition and determination of an organisation’s CC form a basis for defining that gap, since they time to time needs to be modified, maintained and even abandoned according to Srivatsava (2005). Suggested by Clardy (2008) is one way to rate the competency against the VRIS criteria or conduct a SWOT analysis, which further can be assessed through interviews with i.e. managers. Since learning is a result of critical reflection on one's experiences (Marsick and Watkins 1993 as cited in Drejer 2000) this can also be done through dialogues with employees, engaging them in participating in collective reflection. Conditions for having active participants will increase if the participant themselves recognise problem situations (Cronholm & Goldkuhl 2010). Furthermore can this evaluation process in where the lacks of specific competency among employees help to develop programs for training and education (Gangani et al. 2006; Bergenhenegouwen et al. 1996), leading to the core-process of CD implementation in this model, further discussed in the following step.

**Conceptualise plans for CD**

This step includes putting the new ideas into decisions and CD-plans, to be communicated to the employees that will undertake it. The potential value of return on this investment is dependent on how the organisational system supports it, regarding priority and resources allotted from management (McDonald & Hite 2005).
Strategies for implementing CD can be formal and focus on courses that gain the individual’s competence as well as an integrated approach in where improvement of employees’ skills are combined with changes in the organisation (Kock et al. 2007). Since the relationship between managers and employees are essential for the development of competences resulting in CC for an organisation (Bergenhenegouwen et al. 1996), the communication of purpose, process and impact of initiative are crucial for successful implementation, assuring employees how it will be relevant for their job and personal development (Gangani et al. 2006). This leads to next step in this model of selection of participants.

Selection of employees
Selection of employees for further education and training are partly connected to the outcome of CD in where Drejer (2001) argues that this in combination with how it is communicated (as discussed in previous section) will be a brick stone for making employees take advantage of the new skills and change. Furthermore will this impact on how the employees perceive the employers actions and support of HRM practices (Scheible & Bastos 2012), leading to the very implementation of those practises in the next step.

Organisational Development
The next step is connected to organisational development, in where the plans are put into action, by implementing those processes and practices that have been decided upon. This can include things such as in-house training, team building, and external courses (Gangani et al. 2006) but also career planning advice, recruitment and personnel mobility (Ellström & Kock 2008; Lai & Kapstad 2009). To have full support from management to implement the changes and a position power, visibility within the organisation and credibility to impact on the process will furthermore enhance success for the owner of implementation (Bergenhenegouwen et al. 1996; Gangani et al. 2006).

When employees have gone through the various courses, trainings, programs and other CD efforts, it will or will not lead to gained competence. Therefore, the next step in the model is to measure and evaluate the experience of the CD efforts.

Performance Management
This section will validate the efforts for CD and monitor against results as found important by Bergenhenegouwen et al. (1996). By incorporation into the performance management system will it ensure alignment of an employee’s individual objectives and the goals of the organisation (Gangani et al. 2006). It will also, as part of the core-process of CD implementation and gaining Dynamic Capabilities undergo change on the part of both the company itself and the people within it (Wright et al. 2001). Therefore the process itself is
under continuous development before entering the next step in the model, reflection and evaluation further presented below.

**Evaluation and Reflection**

This control section will evaluate performance as argued necessary for gaining competence by Bergenhenegouwen et al. (1996). If the results achieved are not as the organisation wished for, the process will go back to reflect on the experience both statistically and on how the employees perceived it, in order to make it more efficient and gain even better outcome onwards (Mulder & Collins 2007). Therefore will the focus not only be on ‘what’ objectives were achieved, but also ‘how’ they were achieved, providing a spring-board for identifying new gaps to tackle. If there is a mismatch between the competencies of the employees and the organisation’s CC, future training and education can therefore be redefined and reactivated (Bergenhenegouwen et al. 1996), going through the different stages in this model again, producing a cycle in the process of developing and gaining competence.

**Improved Competence**

If the analysis thereafter finds out that competence has been gained it will move forward towards the ‘output’ and results of this model in forms of improved competence, connected to effects of economics, symbolic and psycho-social attributes (Sunthonkanokpong et al. 2001; Ellström & Kock 2008). The overall outcome connected to the process of CD should be increased competence that links to employability. Employability is “the continuous fulfilling, acquiring or creating of work through the optimal use of competences” (Van der Heijde & Van der Heijden 2006: p.453) and therefore should better developed competencies imply a higher level of employability, resulting in a competitive advantage since it allows the organisation to match labour supply and demand (Forrier & Sels 2003).
**Conceptual Model for CD implementation**

With the reviewed theory as a foundation, a conceptual model has been designed (see figure 1 below) by the researcher that will be the foundation for investigating the gap between factors contributing to CD and results of it.

![Conceptual Model for CD implementation](image-url)

**Figure 1: Model for Competence Development implementation (own construction)**

The RBV view of competence, examining potential capabilities in an organisation and how to strategically use them to achieve superior performance and a competitive advantage (Barney 1991; Johnson et al. 2011) by focusing on the organisations internal factors such as the human capital, are one inspiration for the developed conceptual model. Second is the competence-based system which puts the employee as central (Bergenhenegouwen et al. 1996), suggesting that CD can be achieved if dealt with in a structured and systematic way. Finally is the theory of learning as a circular process (Kolb 1984), where the stages ones move through for becoming more competent is not linear, but a circular process (Pauleen et al. 2007) an inspiration when designing this model.

Furthermore, this model will provide the foundation for collecting and analysing data within the chosen organisation, operating in the debt-collection industry. By operationalizing previous theories and literature connected to each sub-process in the model, each part of the CD implementation process will be considered and investigated. By this, the research aims to cover each step when implementing CD in the organisation, and analysing its consistency with reviewed theory.

A further explanation of how the model is constructed will be presented below.
This self-designed conceptual model is built upon the input-process-output principle, see figure 2a. Together each of the presented and discussed conditions for implementing CD will provide input to the process of CD implementation, such as internal and external pressure for CD (Kock et al. 2007). The main-process of implementing CD is currently known as a ‘black box’ (which this model will help to investigate further). The output consists of improved competence which is found connected to various positive effects for an organisation and its workforce (Ellström & Kock 2008; Sunthonkanokpong et al. 2001) as discussed previously in this chapter.

CD implementation is structured according to the developed model in two circular processes, where the ‘sub-processes’ of identifying a competency gap and reflection/evaluation upon previous- or current CD efforts (see figure 2b) are the first step after ‘input’ and last step before ‘output’. The theory suggests that these sub-processes are a part of the implementation process (but not its core-process) and will determine the scope for an organisation’s CD efforts, guided by its business strategy and focus on HRM from a strategic perspective (Wright et al. 2001). Before resulting in improved competence reflection and evaluation will become a part of the circular learning process. By reflecting upon experience it will help identifying new gaps in competence among the workforce to tackle, or change the plan for how they are to be implemented. The effects from these sub-processes will help to
create skills and competencies (Wright et al. 2001) through patterns of interactions between employees and managers (Clardy 2008), which through a process of learning and completing a cycle of the model will help to make continuous improvements, enabling a competitive advantage for the organisation.

![Diagram of 'Core Processes'](image)

*Figure 2c: 'Core-Process' of the developed Model (own construction)*

The core-process for how CD implementation is structured according to developed model can be viewed in figure 2c. It is connected to the very actions an organisation take when implementing CD efforts and are divided into; 1) conceptualisation of CD plans 2) selection of participants for the CD efforts 3) organisational development where the plans are put into action and 4) performance management helping to ensure results and that they are aligned with various objectives, both individual and organisational, as discussed previously in this chapter. This core process of CD is also a circular process that takes stance from the RBV and Kolb’s (1984) learning cycle which claims that it will continuously develop and change before entering the sub-process of reflection and evaluation, and eventually also output in forms of improved competence.

To this point, the process of CD implementation has been a ‘black box’, that is, a mechanism that generates a certain level of output but whose internal workings are unknown. It is important to open up that box and to understand how CD operates to produce superior performance for an organisation. By investigating the above model (figure1) on a specific organisation will this research in a structured way explore how CD implementation is structured, and therefore answer the articulated research question.
3) Methods
This chapter discusses and presents the different choices of methodology chosen for this study. The purpose is to give an outline of the method used in this dissertation. It contains research approach, research design, research strategy, time horizon, data collection, operationalization, credibility and ethics.

To gain an understanding how the different stages of a research methodology are dependent on each other, Saunders et al. (2007) research ‘onion’ model is useful (see appendix 2). It consists of six layers; research philosophies, research approach, research strategies, research choices, research time horizons and finally data collection- and data analysis. A similar structure will be used in this methodology chapter.

3.1) Research Approach
Different options are available for approaching a research, inductive, deductive and abductive. While the inductive approach is theory-building, going from reality to theory the deductive approach is rather theory-testing, going from theory to build hypothesis to test in reality (Jacobsen 2002). A subjective viewpoint based on the study participants is taken with the inductive approach (Hennink et al. 2011), often trying to establish variation in a phenomenon rather than quantify (Kuman 2011) and found common among qualitative research (Saunders et al. 2007). The deductive approach on the other hand is more objective in nature, where the key-idea is that the social world exists externally, possible to measure through objective methods (Hennink et al. 2011).

However, the deductive approach is not solely limited to quantitative research, and could have been an option for testing the developed conceptual model, but since “the researcher should be independent of what is being observed” (Saunders et al. 2007: p.126) this approach will be difficult to adopt solely, since the researcher is known to the organisation as an employee, subject for this research. This is worth to notice as it provides both strength and weakness for the research process by influencing data selection, analysis, and when justifying research approach. The researcher’s pre-understanding of the organisation and knowledge of how CD is implemented can be argued part of the inductive reasoning, which “emphasize on a close understanding of the research context” (Saunders et al. 2007: p.127) and therefore ease in gaining an understanding of the meaning participants attach to certain events. On the other hand is the deductive approach a structured method where the operationalization of concepts “ensures clarity of definition” (Saunders et al. 2007: p.127) and can explain (causal) relationships between variables. However, the deductive approach
require a sample that are of “sufficient numerical size” (Saunders et al. 2007: p.126) for making generalisations, which may not be possible for this smaller Case-Study.

Therefore, this study will adopt the abductive approach which combines the characteristics of the theory-driven deductive approach with the empirical driven inductive approach, since “most great advances in science neither followed the pattern of pure deduction nor of pure induction” (Kovács & Spens 2005: p. 3). As the foundation for the conceptual model is based on the reviewed theory, but this research is open in nature to new findings that may impact on the results and the researcher has a certain level of pre-understanding which makes the reflection upon theory relate to the researcher’s own experience and back, this study cannot be considered a solely deductive. By this the abductive approach realises that the researcher is a part of the research process (Saunders et al. 2012), and the use of abductive reasoning is found common for case-studies where simultaneously data collection, and theory development can occur (Kovács & Spens 2005) and therefore makes this approach the best option. However, if desirable can future research form hypotheses based on this research’s findings, or the developed model, which could then be tested empirically (Gray 2004) and on a larger sample size taking a deductive approach.

3.2) Research Design

Common methods for a research are explanatory, descriptive and exploratory research designs (Saunders et al. 2009). While the descriptive design requires a clear picture of the phenomena of investigation, prior data collection to be able to portray a situation or an event, the explanatory design aims to explain the relationship between variables common with quantitative methods for data collection (Jacobsen 2002). This study will adopt the exploratory design as it aims to explore the specific nature of the ‘black box’ problem of CD implementation in order to be able to answer the research question. Since the purpose of this study is to explore the process of CD implementation as perceived by employees within the finance industry, it is interested in exploring the gap between factors contributing to CD and result of it, therefore justifying the exploratory research design.

3.3) Research Strategy

Several research strategies are available when conducting a study, experiment, survey and grounded theory to name but a few. Depending on which one that suits the research question and objectives the most, one or several methods can be used (Saunders et al. 2009).

This research adopts the Case Study approach which is widespread for small scale qualitative research and often used to explore key issues in a problem (Denscombe 2010).
Furthermore the Case Study is a relevant research strategy in business according to Yin (2009) where the structure of a given industry may be investigated. It is a single case selected for providing an opportunity to conduct research in a unique part of the finance industry and being able to control variables in this particular sector (Saunders et al. 2007). This study design suits well toward the objectives of this study which aim to explore the subject area in depth and understand rather than confirm or quantify (Kuman 2011). Furthermore is a Case Study approach useful as it allows the researcher to obtain meaningful characteristics in organisational processes (Yin 2009), and since the research question asks ‘how’ that process is structured, it suits the research question well. According to Yin (2009) is the Cause Study preferred when examining contemporary events in where observation of events are being studied through interviewing those involved in them, which makes it superior to i.e. historical research methods.

3.4) Time Horizon

Due to limited time for data-collection will this Case Study provide a ‘snapshot’ of the situation at a particular time, known as a cross-sectional study (Saunders et al. 2007), and if a comparison is to be made over time, future research can then conduct a longitudinal study. Since the cross-sectional study are suitable for studies based on interviews (ibid) and the aim is not to study change and development over time, it will suit this study well.

3.5) Data Collection

Primary data

Methods available for collecting data are either primary or secondary. Secondary data is to review, analyse and discuss data that already exist and has been collected in the past, while primary data constitutes of ‘new’ data that is collected especially for the research question and its objectives (Hennink et al. 2011; Saunders et al. 2007). This study will collect data mostly primary through semi-structured interviews, argued by Gray (2004) to be suitable for qualitative research.

However, other options for collecting primary data would have been available, such as a survey which is common when structurally collecting large amounts of data that will be quantifiable (Kuman 2011). An experiment which involves testing causal relationships, often in the field of laboratory experiments (Saunders et al. 2009) and observation, found useful for studying a specific behaviour (Jacobsen 2002). However, this study will not include a large amount of participants, neither test any causal relationships or observe any certain behaviour, but to study a complex process and provide depth and nuance to the current
research issue (Hennink et al. 2011: p.10) and therefore will the qualitative method for collecting data in form of interviews suits this study well.

**Interviews**

An interview can be explained as “a conversation with a purpose” and a good choice for collecting primary data as it explore a few topics in more depth to help uncover the perspective of the phenomenon from the participants own point of view (Marshall & Rossman 1999: p.108), which is the viewpoint taken in this study. However, interviews can be labour intensive and require much time both under progress and in analysing and structure findings (Jacobsen 2002). It also requires skills from the researcher to be both open-minded and focused to select what new information that comes through in the interviews are of relevance for the study, although avoiding exercising subjective selectivity in the recordings (Saunders et al. 2007). However, if done correctly it is a fruitful method to gain understanding into a phenomenon which indeed is the aim for this study.

Furthermore can interviews be divided into three categories; structured-, semi-structured- and un-structured interviews (Hennink et al. 2011). Since the structured interviews contain predetermined and standardised questions, often with pre-coded options for answering (Saunders et al. 2007) it will not be an optimal option for gaining insight into how the process of CD is implemented in a specific organisation. Neither will the unstructured interview, with no predetermined questions be an optimal choice as it may be difficult to analyse and keep focus on the subject for research (ibid.). Therefore will semi-structured interviews be the best option as it allows the researcher to have open-ended questions and themes to ask about, flexibility to edit as the interviews takes place as well as ease for taking notes during the interview (ibid.). Furthermore are semi-structured interviews acknowledged for enhancing flexibility and ease for new unknown information to be revealed and still to keep focus on the topic but not to put limits on the answers (Hennink et al. 2011).

**Empirical object**

The empirical object for this study is selected on the basis for operating in the debt-collection industry, and being part of the finance sector. It is a Swedish Debt-Collection Company (SDCC) that operates with invoice and debt-collection in Scandinavia and parts of Europe with an annual turnover within the Group on € 100 million. Without violating its anonymity it is a privately owned organisation located in a middle-sized town in Sweden with approximately 60 000 inhabitants, and here one of its largest employers with 46 100 000 SEK being paid annually to employees (Leffler 2013; The Swedish Statistical Bureau 2012). At the head office, subject for the interviews are about 110 people employed (Leffler 2013). There are five different departments; economy, marketing, back-office, invoice and debt-collection.
This study focuses on the department of debt-collection since it is the largest one and a main source for the organisations revenues. It consists of approximately 40 debt-collection officers, one manager being head of department, and two line managers.

Due to the technical development with increased shopping online combined with worldwide recession affecting households, businesses and their ability to pay invoices and loans, the industry has experienced increased demand for its services (Kronofogemyndigheten 2012). Therefore can the debt-collection industry provide an interesting research object as it is a growing and global industry with increased competition that works as the linkage between indebted customers and exacting companies (Spector 2012). Furthermore, this industry is heavily influenced by policies, moral obligations and regulations that an employee need to be aware of and address in their daily work (Datainspektionen 2011). The responsibility for education, training, feedback, and CD is often on the half of the Organisation, as many of the professions in this industry lack formal educational programs to recruit people from. However, it is not a work for everyone. While some people cope fine with the challenges of discussing money- and debt issues with people that are often disgruntled or concerned others find it tougher, demotivating or even depressing and therefore is the business partly concerned with high employee turnover (Birk 2013).

The lack of empirically-based research on CD on specific companies and organisations are known and recognised to need further investigation (Ellström & Kock 2008) as the need for skilled employees presents a significant challenge for the entire debt-collection industry (Birk 2013), justifying the empirical object.

**Sample selection**

Training and development is found to enhance competencies (Kock et al. 2007), however can noteworthy gains be achieved by “making efforts to satisfy employee’s need to utilizing their competencies that have been acquired through training and development” (Lai 2011: p.153). This focuses on how the input of certain attributes may gain preferable output for a company, and that the process for how this is done can be investigated through the perspective of those undertaking it; employees.

Another argument for this is that the basic feature of human capital belongs and is owned by the individuals themselves, not the company. This highlights that even though a company has access to valuable human capital, if poor design of work or mismanagement of employees are present, it will not deploy to achieve any strategic impact for the organisation (Wright et al. 2001). Therefore it is of importance that the employees individually and as a
collective choose to engage in behaviour that benefits the organisation and it is here the process of implementation is of great importance in achieving success (Wright et al. 2001).

The participants for this study are selected based on two attributes. First, their profession as debt-collection officers and current employment at the SDCC with certain knowledge to contribute with information connected to the process of CD implementation in this specific company. Second, their voluntary willingness to participate in this study, also known as self-selection sampling (Saunders et al. 2007). Together the procedure aimed to ensure informed consent.

An invitation and introduction to the subject and this study were posted at the intranet two weeks before the planned interviews. A possibility to contact the researcher was given by email and phone to ease for questions that may arise. The interviews took place in April 2013 and consisted of totally five participants. One individual was a manager in order to improve triangulation and validity according to Yin (2009). The interviews were held via Skype or phone and recorded in order to ease for analysis. The interviewees were all currently employed within the debt-collection department with an average age of 45 years and employment for 5 years. The interviews lasted on average one hour and started with an introduction of purpose of the study, and explanation of how the participation would ensure anonymity.

The interviews were held in Swedish and transcribed first in Swedish and then translated to English, by the researcher. This may have implications on the quality as English is not the researcher’s mother tongue. Therefore was back-translation of quotations and questions conducted to ensure that they contained its original meaning (Hennink et al. 2011).

3.6) Operationalization

Operationalization takes part when translations of concepts are put into tangible indicators of their existence according to Saunders et al. (2009). This was done through collecting primary data of CD implementation via interviewing individuals working in the chosen company. Presented below are the questions and expected outcome of the semi-structured interviews. This aim to reveal information connected to the process of CD implementation in the company, which will help to answer the articulated research question through the developed conceptual model.

As the theoretical framework is foundation for the developed model, and it is structured under eight headings; conditions for implementing CD, Identification of Competency Gap, Conceptualise plans for CD, Selection of employees, Organisational Development,
Performance Management, Evaluation- and Reflection and Improved Competence are the questions and the operationalization structured accordingly. From each ‘box’ in the model has the most relevant theories and ideas been operationalized into questions for the interview guide.

After introducing the subject a few opening questions are followed by key-questions and closing questions, a typical structure of an interview guide according to Hennink et al. (2011). For a complete view of the interview guide, see appendix 3. The questions have been subject for pre-testing as suggested by Jacobsen (2002) to ensure accuracy, on a colleague since translation from English to Swedish was necessary.

**Introductory questions to CD**

A few introductory questions aim to open up to reflect and raise awareness of the concept of CD. It do also aim to give the interviewee a possibility to on a surface level give their viewpoint of how CD is conducted within the company, and find out what their personal interest are in CD. This as it has been argued by Pinnington (2001) that employee’s perspective of CD differs, and that utilisation of potential in the organisation is a factor for business success according to Bergenhenegouwen (1996). Questions connected to awareness, interest and process of CD implementation are:

- What does CD mean for you?
- In what ways do you find CD important for you?
- Can you describe how (the process of) you and your colleagues gain competence within the organisation?
- Can you describe what opportunities you have for personal development in this company?
- What sort of opportunities does the company provide for your development of new competencies?

**Conditions for implementing CD**

**Internal Conditions**

To investigate the conditions for implementing CD are of recognised importance in reviewed literature for gaining a positive outcome of deployed Human Resource Practices (Kock et al. 2007, Mulder & Collins 2007). Bergenhenegouwen et al. (1996) even suggest that certain internal conditions can constrain CD and therefore do questions need to evaluate the internal conditions in place including existing learning climate, culture, organisational structure as well as employee’s interest for CD. Questions possibly answering this are:

- In what ways do you consider this company to provide opportunities for CD?
Can you describe how the working climate and culture in place support or constrain CD?
What conditions in this organisation are created to stimulate on-the-job learning?
What internal factors do you think impact on the availability for CD?
Can you describe in what ways the need for additional training and education are recognised?

External Conditions
Furthermore, external pressures for gaining CD highlighted by Kock et al. (2007) are market position, pace of technological development and business sector. Demand from customers is argued by Drejer (2001) to impact on how the process of CD is implemented within the organisation and therefore investigated. Questions connected to possible external conditions are:

- What affects the need for further CD at your work?
- Can you think of any external factors that may impact on the availability for CD?
- Can you describe in what ways the need for additional training and education are recognised?

Depending on how well the conditions for gaining CD are in place, various evaluation processes will be executed regarding the current situation, which will lead to identification of Competency Gap.

Identification of Competency Gap

Routines and practices
As Cronholm & Goldkuhl (2010) and Marsick & Watkins (1993) claims that the conditions for gaining CD will increase if having active participants that themselves can recognise problem situations, questions will need to determine how the competency gap is recognised, investigate employees’ engagement in CD and evaluate current routines and practices. This is suggested by Clardy (2008) to be possible through dialogues and interviews with employees and managers and to rate current competency against VRIS. The following questions aim to investigate engagement in CD, evaluate current routines and practices and explore how a current Competency Gap is identified.

- How do current and routines enable CD at the company?
- Are there any routines or practices that you are dissatisfied with or found ineffective?
- How are current routines and practices evaluated within the department you work?
- Can you describe any area where you would need more skills?
• Can you describe how (the process of) you and your colleagues gain competence within the organisation?
• Can you describe the challenges you experience at work?
• Can you think of any competency among employees that are:
  o Valuable to customers?
  o Rare among you and your colleagues?
  o Inimitable and difficult for a competitor to copy?
  o Non-Substitutable and unique to this company?

When identification of a competency gap is done, this leads further to the core-process of CD implementation.

**Conceptualise plans for CD**

**CD efforts**

How the competency gap is identified will furthermore affect how programs for training and education are developed (Gangani et al. 2006; Bergenhagenouwen et al. 1996) and therefore aim the following questions to answer this;

• In what ways can you impact on the choice of further training and education?
• What efforts for CD are you exposed to?
• Can you tell me about any course that you found particular good/ useful.
• How are the suggestions for education/ training developed in the organisation?

**Selection of Participants**

**Communication and Selection of Participants**

The development of plans for education and selection of participants to be incorporated, will be investigated through how the ideas for CD are communicated to the employees, and how the selection process for further CD efforts are conducted. This as Drejer (2001) suggests that it will be a brick stone for making the employees take advantage of the opportunity, acquire new skills and actually change. Questions that aim to investigate this are;

• Who perceive CD in this organisation?
• How are the courses for CD presented to you?

**Actors in CD**

To what extent the employees feel support by managers and organisation for gaining competence will also be investigated and what roles they play in CD, as McDonald & Hite (2005) argue that the potential value of return will be dependent on this. Questions that possibly help to answer this are;

• Who play an important role in the process of CD?
• What actions do you expect from the managers to support CD at the company?
• Can you describe how your manager supports your CD?

Employees’ Perception
Furthermore it will try to investigate how relevant the employees find the efforts for CD which is argued to impact on the results (Gangani et al.2006; Scheible & Bastos 2012). How the various Human Resource Practices in the organisation play a role in CD will also be investigated through the perception of the employees in the questions below:
• How do you perceive the company’s efforts for CD?
• In what ways have the efforts for CD been relevant for you to gain knowledge?

Organisational Development
Types of CD
The next step is connected to organisational development, in where the plans are put into action by implementing those practices that has been decided upon. Questions connected to what types of training that are conducted will be asked about. Since Lai & Kapstad (2009) argue that training, on-the-job learning and career development are important means for organisation’s to engage in CD, will this study aim to answer this through the following questions:
• What efforts for CD are you exposed to?
• How are training and education conducted within the organisation?
• Which methods for training/education/ career development are used in this organisation?

Other efforts for CD, such as teambuilding suggested important by Gangani et al. (2006) are not put into actual questions as the researcher wants to avoid being to specific and therefore risk ‘guiding’ the answers.

Formal and Informal CD
Furthermore this study will investigate by whom the training is conducted as it has been argued that to position power, have visibility and credibility to impact on the process will enhance success of implementation according to Bergenhenegouwen et al. (1996) and Gangani et al. (1996). Whether it is formal or informal courses will also be investigated and questions possibly answering this are;
• Is it formal or informal procedures that take place to stimulate learning?
• How are training and education conducted within the organisation?
Career

It will also try to investigate how career planning advice, recruitment and personnel mobility are conducted as argued important by Ellström & Kock (2008) and Lai & Kapstad (2009). Maxwell et al. (2007) and Hoekstra (2011) have different viewpoints regarding the responsibility of employees’ career that can impact on the process of CD, and therefore will questions also investigate personal- and contextual factors that may impact on the process of CD implementation. Questions that aim to answer this are:

- What ambitions do you have with your work the coming years?
- In what ways is career management organised for you?
- Can you describe what opportunities you have for personal development in this company?
- How do you perceive the future evolution of a career in your organisation?
- How are recruitment conducted in this company?

When employees have gone through the various courses, training and other CD efforts it will or will not lead to gained competence. To measure and reflect on the experience of this leads therefore to questions connected to performance management.

Performance Management

Experience of CD efforts

How the various efforts for CD pursued are experienced will be investigated here in order to find out how they perceive them to be/ not to be aligned with the participating employee’s objectives, and the goals of the organisation (Bergenhenegouwen et al. 1996). This is also linked to theory by Des Vos & Meganck (2008) arguing that employees’ perception of HRM practices is related to their affective commitment to the organisation, that can impact on performance (Ansari 2011). The questions possibly answering this are:

- In what ways do/ do you not consider the courses to be relevant for you?
- Can you tell me about any course that you found particular good/ useful.
- Can you tell me anything you learned through the efforts for CD that has been useful for you personally?
- How do you experience the organisation’s efforts for training and education?
- Can you give me any example of how efforts for CD have made a difference for you at work?

Monitoring of results

Questions connected to validation of CD efforts and how it is monitored against results as suggested important by Bergenegouwen et al. (1996) aim to be answered through the following questions:
• How are the results from CD efforts monitored?
• How do your expectations of the course/training/education align with your experience of it?

The core-process of CD implementation will undergo continuous change, but before output is reached questions connected to reflection and evaluation will take place as a part of the learning process (Drejer 2000).

_Evaluation and Reflection_

_Evaluation_

Whether the experience and results of the CD efforts are found successful or not, questions linked to evaluation will be conducted in order to find out how and what objectives were achieved (or not), providing a foundation for future CD efforts according to theory by Mulder & Collins (2007). The questions possibly investigating this are:

- Which competencies have you gained through training?
- How are the courses evaluated?
  - In what ways does that result become a foundation for identifying new Competency Gap?
- What have you learned from the course?
- Is there anything that could have been done differently to improve learning?

_Retrospection_

It will also investigate how the employees feel that they can make use of their new skills and what they learned that makes a difference in their work, contributing to better performance. This is part of Kolb’s (1984) learning cycle in which actions are turned into experience and then reflected upon. It does also reflect upon what can be done differently in the future to improve the process further as suggested by Bergenheenegouwen et al.(1996). The questions possibly answering this are;

- Can you tell me about any course that you found particular good/ useful.
- In what ways can you impact on the choice of further training and education?
- Can you tell me anything you learned through the efforts for CD that has been useful at work?
- Can you give me any example of how you made use of your new skills acquired?
- Is there anything that could have been done differently to improve learning?

Together will the questions hopefully produce a cycle in the process of developing competence among employees at this SDCC. The questions are uniquely developed by the
researcher for this Case Study, and if the results are found satisfying it should add valuable competence among the employees. It will also help to find out how the process of CD implementation is structured within the debt-collection industry, from the perspective of those undertaking it. Although the questions above are developed with the conceptual model in mind, and therefore allow structure and linkages between concepts in the analysis of interviews, the order of questions is not required to take place in any particular way which allocates freedom in the interviews.

3.7) Credibility of Study

Although important for a research to be credible, this study is not without limitations and one consider its reliability. Reliability considers internal consistency, the extent to which the “data collection techniques or analysis procedures will yield consistent findings” (Saunders et al. 2007: p.149). Four possible threats to reliability must be considered according to Saunders et.al (2007) in order to reduce bias or errors in a study. The first threat is subject- or participant error, a factor that might give different results depending on the participating individuals’ mind-set. This can be an issue regarding participant’s way of think about past events which may threaten reliability. However, since not asking about specific events and a focus on how things are conducted usually, it will not require the amount of details that may threaten reliability of this study. The second threat is subject or participant bias, considering when the participants’ answers the question like they think the researcher or manager prefer. However, since the process of CD is not to be considered as a sensitive subject it should not impact on how the participants answer. A third threat is known as observer error putting focus on that the more researchers conducting interviews, the more different ways of asking the questions. Finally is observer bias which deals with the problem that the result may be conflicting due to the fact that answers have been interpreted by several researchers. By this observer error should not be a threat to this study as only one researcher conducted the interviews, as this is also the case for interpreting the results, observer bias should not be a problem either.

However, if this study would be carried out in the same area, with the same methods at a different time, the results may vary, threatening reliability (Yin 2009). The reason for the variation in result depends mainly on the participants, since every individual is different and experience differently. Therefore the result may also vary because of those differences.

If instead considering external validity and the possibility to generalise the findings to a broader population based on statistics (Jacobsen 2002) this will be an implication for this study. However, since Case Studies and the ones conducted through interviews aim to
explain what is happening in a specific case (Yin 2009) rather than to make generalisations to a population other than cases similar to this study, which should not be an obstacle to use the approach (Kuman 2011). Due to the small sample of individuals the contribution to the scientific world is limited. However, generalising findings on the basis of qualitative data can be done in various ways, in where such varieties refer to analytical generalisations which use the theoretical concept “to enable a more general perspective on specific qualitative patterns” (Halkier 2011: p.787). Therefore can this study provide such analytical generalisations by providing new insight to the link between concepts.

3.8) Ethical Considerations

Ethical implications for this study relates to ensuring anonymity for the participants (Saunders et al. 2009). This is done by giving each participant a character in form of a letter (in no particular order) which will ensure that no answer will be able to trace to any specific individual.

Of ethical consideration is also to satisfy the need for answering the questions in the interview guide and simultaneously put them forward in a friendly and nonthreatening way as argued by Yin (2009). Optimally would securing of trust and a relaxed atmosphere during the interviews take the approach as a conversation, i.e. over a cup of coffee and by sitting at a 90 degree angle next to each other, as suggested by Hennink et al. (2011) to ease establishing of rapport. However, since the interviews was conducted over Skype and Phone this was tougher to achieve. That said the interviews took place after working-hours when the participants where at home, and the fact that they knew the researcher in personal can possibly impact to secure this ethical consideration.

Confidentiality of the data records are ensured by keeping it in a secure location and will be completely destroyed when this study is completed (Saunders et al. 2007).

Permission to this study is received by the head of debt-collection department prior the interviews, and it was also head of debt-collection department which invited and encouraged the employees via the company’s intranet to contact the researcher if interested in participating in this study. Since both the permission and invitation are internal, unofficial documents are they not displayed as an appendix.

Another ethical issue is to ensure a balanced view in the analysis as highlighted by Hennink et al. (2011), to present both positive and negative findings. Therefore will quotations be selected to present the general viewpoint of the study participants, which will contribute to this.
4) Analysis of Empirical Findings

This chapter will present the empirical findings from the semi-structured interviews in where the process of CD implementation within the SDCC is analysed through the developed conceptual model. Thereafter it is linked to- and discussed in relation with reviewed theory.

4.1) Presentation of Participants

Following is a short presentation of the interviewees. They are all given a letter to ensure anonymity, but to ease for relating to the quotations made during the interviews and presented in this chapter.

Interviewee A Female, 36-45 years, employed at the SDCC since 2004. She has been working at Back-office the first four years, thereafter at the debt-collection department as a debt-collection officer.

Interviewee B Female, 46-50 years, employed at the SDCC since 2010 as a debt-collection officer.

Interviewee C Male, +51 years, employed at the SDCC since 2006. Worked the first three years as a debt-collection officer thereafter partly also as a client administrator.

Interviewee D Female, 26-35 years, employed at the SDCC since 2009 as a debt-collection officer.

Interviewee E Male, 36-45 years, employed at the SDCC since 2007, the last three years working as a line manager for the debt-collection department.

4.2) Awareness and Interest for CD

The empirical findings from the interviews suggest that the interest for- and awareness of CD among the participants relate both to personal- and professional development. The meaning of CD is expressed as getting a deeper knowledge in a field, which strengthens the participants’ ability to conduct their tasks at work better and better in a more efficient way. On a personal level it means to grow as an individual and gain competencies that can be useful also when eventually changing workplace, or be valuable outside work.

However, it is commonly acknowledged by the participants that the opportunities for personal development and gaining CD are limited in this company, especially after a few years. While introductory training is provided to new employees, it is rarer with proper education or
training sessions after that, unless you advance and become a line manager. The process of how the employees gain competence on a daily basis is therefore through on-the-job learning. By discussing problems with their colleagues or by approaching a line manager for options to implement, and when the result shows they reflect upon the choice and evaluate whether they considered it was successful or not.

The lack of other continuous efforts for CD (besides on-the-job learning) being offered to the employees is found to affect employees’ motivation negatively, and to breed a feeling of despair connected to work. It is also sensed that it is up to individual him/herself to strive for new challenges and development opportunities, rather than they are being offered by the organisation.

"It’s limited, unfortunately. It's totally up to yourself to strive for learning, which in practise also means that you have to be ‘friends’ with the ‘right’ manager in order to receive opportunities for personal development, or for that matter Competence Development" (A, personal communication, 2013-04-28).

“During my first two years we went i.e. to KFM (Swedish enforcement authorities) for education, and I had the chance to help train the newly recruited which was very rewarding for me personally. Since then, not much has happened really” (D, personal communication, 2013-04-29).

Overall, there was a sense of mistrust and scepticism regarding the process of gaining competence in this company among the participants, unless being a manager and therefore subject for more CD efforts.

Therefore, the awareness and interest for CD seem to be present among the employees. However seem their need for it not to be fulfilled at present. This is found to impact negatively on their view of gaining CD in the organisation, which also are based partly on their previous experience of CD efforts (Ellström & Kock 2008), giving implications for the outcome of future CD efforts. As argued by Pinnington (2001) that the employees’ perspective of CD in an organisation differs depending on position and background are indicated in the findings in this study, where the subordinates experience the opportunity for CD efforts as bigger among managers. It is also sensed that the participants view CD as a process of learning (Drejer 2000), in which they become more competent by reflecting upon experience, revise, change and adapt in an on-going process (Pauleeen et al. 2007). Furthermore CD is described as being a combination of personal- and professional development in where the interaction between employer and employees enable or hinder the
best possible outcome, which possibly could be linked to theory by McDonald & Hite (2005) and Drejer (2001).

4.3) Conditions for implementing CD

The findings suggest that organisational culture seem not be supporting the development of competencies overall within the debt-collection department, subject for interviewing. The interviewees as being subordinates experience the organisation to treat them as any other replaceable resource, which make the current conditions for implementing CD limited. The participants describe the organisational structure and working climate in place as a closed system, hierarchical with top-down communication that affects the process of CD negatively. Historically have the organisation not put focus on efforts for training, education, career management or provided opportunities for personal development to any greater extent, this since the management and development of the organisation’s human capital has not been a top priority by board and owners. The focus has been to grow and to grow quickly by making money through collecting debts in a way that “is X (this SDCC's) winning concept” (E, personal communication, 2013-04-30). This has made them lose skilled- and experienced staff during the years, expressed by the following interviewees:

“They are very slow in change, and therefore have they also lost much competent staff during the years since not acting proactively, or not acting at all. It hasn't changed unfortunately and still they don’t see their staff as a valuable asset... more like a consumable resource” (C, personal communication, 2013-04-29).

“From a cultural perspective has the debt-collection department not been subject for investment the past, at least 6 years... Why changing a functioning concept seem to be the melody” (A, personal communication, 2013-04-28).

The pressures that impact on the availability for CD at the SDCC are found as a combination of internal and external factors; where the participants’ themselves recognise a lack in knowledge due to a change in a process (that can be linked to internal factors), or arrival of a new client (external factor). It is also suggested to be due to statistics in where decreasing profit or lower resolution rate triggers availability of CD efforts, or that an error occurs too often to be ignored by the management. Other factors such as new regulations or new technology, which requires certain knowledge, are suggested to impact on the availability for CD efforts at the SDCC. Therefore it is argued by the participants to be a combination of employees and managers that recognise the need for further CD, while the managers and board are the ones who decide whether it is an issue or not, a competency gap, that needs to be investigated further.
It is acknowledged in the findings that much of the responsibility for gaining competence are on the employees themselves indicating support for Hoekstra (2011), while the company provide tools for CD and decides whether further CD efforts are necessary, or not. By this, takes the employer responsibility for the organisational context and conditions that enables the foundation for gaining competence, consistent with arguments by Mulder & Collins (2007). However, the conditions in place for CD are found to both constrain and support learning. The hierarchal and authoritarian organisational culture with lack of two-way communication could constrain internal conditions for CD which indicates support for Bergenhenegouwen et al. (1996), in which they argued that organisations with these characteristics often fail to present their employees with challenges and opportunities to develop competencies. On the other hand are Internal conditions also present which support CD such as working in pods, which enables discussion among employees and therefore also on the-job-learning. External conditions for implementing CD are found to be i.e. new technology and demand from clients which support findings by Kock et al. (2007), in where it puts pressure for the SDCC to invest in CD for their employees.

4.4) Identification of Competency Gap

“In our need analysis, we focus on gaps that are of importance for as many stakeholders as possible, to ensure that it will be the best possible education towards the right direction” (E, personal communication, 2013-04-30).

By this, an area that has been recognised as a competency gap more recently is English skills. Here have dialogues between managers and subordinates made it evident that an increasing number of the SDCC’s clients use English as the language for conversation both written and verbally, which has made it a source for further CD efforts. This is also the case for managers and client administrators which experienced a competency gap in report management, in where education in Excel has become a source for further CD efforts.

Furthermore suggest the findings that competencies among the employees which the organisation evaluate partly according to the VRIS criteria, are found to be those among the skilled workers which know how the entire process of debt-collection works. Their knowledge to both new recruits and clients are therefore valuable to the organisation. Traditionally has there been a focus of an extensive introduction into the business of debt-collecting, mandatory for everyone that has been entering the organisation no matter department. This has given a collective knowledge about the core business and different processes which improves efficiency and resolution rates. However, it was sensed that this was about to change, where today the two week induction for newly recruited has been removed and
focus is more on making payment plans and collect debts through something called the Power Dial-system, rather than learning the entire process of debt-collection.

To find out how the current routines and practices are evaluated, which could be a source for finding out the competency gap, was found difficult to get a clear answer on more than it was found limited by the participants. However, the interaction between employees by working in pods and that line managers every day talk to each employee for 5 minutes, discussing cases or questions that may have arisen during the day, can be viewed as routines and practices that enables CD on a day-to-day basis, and also help to find out where knowledge is lacking and therefore subject for CD efforts. It is also found to be connected to statistics in where profitability is the underlying driving-force according to the interviewed manager. One routine that is found being ineffective by the employees is the Power Dial system. This atomised system would increase outgoing calls and payments plan but according to the majority of interviewees was it implemented with a short notice, without proper education, and shown to work inadequate as well as being time-consuming. Still, the evaluation from management has proved the system to be profitable, statistically, and therefore is it decided to become mandatory for 3 hour per day/employee which grows dissatisfaction.

“The workers have repeatedly demonstrated their dissatisfaction with certain routines, i.e. Power Dial and report processing, but we talk for deaf ears unfortunately” (B, personal communication, 2013-04-28).

“It happens that new routines and systems are implemented without specific education and training, causing frustration and resignation at the office” (C, personal communication, 2013-04-29).

Since it has been argued by Lai & Kapstad (2009) that training and education in itself not necessarily lead to developed competencies, this SDCC are increasingly trying to develop a structure that enhances the effectiveness of the training which is found similar to the developed conceptual model in this study. Before plans for training are put into action a need analysis for CD are conducted, which are found to be based on; a) dialogues with employees which help to engage them in the critical reflection of their work experience in identifying the competency gap, indicating consistency with Marsick & Watkins (1993); and b) discussion among managers in where competences are evaluated partly according to the VRIS criteria in identifying capabilities that are part of a competency gaps and possibly supporting Clardy (2008). As claimed by Cronholm & Goldkuhl (2010) that conditions for active participants in learning and gaining competence seem to be evident in this study when the participants
recognise a competency gap, which then are developed into further plans for CD efforts (Gangani et al. 2006).

4.5) Conceptualising plans for CD
The participants claim to come with suggestions for CD efforts regularly, but not to have any power whether or not it becomes reality. However, more recently has a Human Resource manager been employed, who look after the interests of employees. It is suggested that she push for more collective efforts for CD than what is conducted today, and when it comes to CD efforts that concerns several departments she plays a bigger role in how they are to get implemented. It is also found that the employees experience the amount of efforts for CD inadequate, and this receives support by the interviewed manager.

Important actions for promoting CD are furthermore found to be enough resources and time for the various educations and training sessions. The support the employees experience from their managers is also found to impact on how they view the efforts for CD, and are partly based on previous experience of other CD efforts. If the managers support it because they have to, or because they genuinely feel that they think it is a good idea, is argued by the participants to be reflected in the results. Furthermore indicates the findings that if the employees view the planned courses and education as valuable to them, more interest and effort for learning will take place.

“They (the managers) support the efforts for CD because they ‘should’, not from the employee’s development perspective” (B, personal communication, 2013-04-28).

“I do put in extra effort, if I think the education is worth learning” (D, personal communication, 2013-04-30).

The plans for CD efforts are found to be developed to suit the SDCC’s clients that require exclusive notices or that are requested by many sources within the organisation. Since all clients have individual contracts with the SDCC and transfer very varying amount of stocks each month, some clients got a bigger influence on how they want the personnel to act and what knowledge they need to have about the cases. The current focus is on the client administrators or line managers that in turn will share their knowledge to the rest of the debt-collector officers. However, it is also highlighted by several of the participants that CD should be offered to a wider range of employees, not only those working with specific clients, managers or newly recruited. If covering more employees it is suggested to strengthen the team spirit and give new inspiration in the daily work. Particularly fellowship, which could increase collaboration, should be prioritised better according to the interviewees.
The CD plans are usually presented to the employees through a group-meeting, and later are additional information distributed via e-mail. However, the way the CD plans are presented verbally is perceived by the employees with a focus on correcting errors and underachievement’s or to strengthen control over employees, rather than supporting CD. This makes employees take a defensive position rather than a positive open-minded approach towards the presented CD efforts.

“It is presented in a manner that makes people sceptical about the planned courses” (A, personal communication, 2013-04-28).

Therefore it is suggested that the need analysis as a way for identifying the competency gap becomes the foundation for decision of what type of training that is to be conducted (i.e. informal, formal, for whom etc.). Since the need analysis is guided by the interest among the organisation’s stakeholders it seem to be used to keep pace with competitors, rather than guided by the organisation’s future vision. The way that the employees feel a genuine support for gaining competence is found to impact on the potential value of return, indicating support for McDonald & Hite (2005). Resources and time allotted for the CD efforts are also found to play a part in the engagement the employees show for gaining competence which is indicates consistency with revised theory. Furthermore it is noticed that those CD efforts that are presented by the Human Resource manager or planned in collaboration with her, are perceived as more credible and position power on the implementation process that can be linked to arguments by Bergenhenegouwen et al. (1996) and Gangani et al. (2006). The communication of the plans for CD efforts to the employees indicates to restrain the implementation, if they feel that it does not aim towards positive attributes of individual development or is relevant to their job (Gangani et al. 2006). Therefore suggests it that the employees evaluate the actions for CD efforts depending on the way it is communicated and whom that receives it, supporting findings by Scheible and Bastos (2012), and if congruent with their own values and objectives better engagement for learning should appear. However, the process in CD implementation seem not to be consistent with the developed model at this stage, since the conceptualisation of CD plans and selection of participant are done in one step, integrated in each other rather than two separate steps.

4.6) Organisational Development

On-the-job learning and Training

The way this SDCC develop competencies among their employees are found to be a mix of informal and formal CD efforts. However, the findings indicates that this SDCC relies more on on-the-job learning among the major group of the workforce, rather than more formal CD
efforts. On the other hand are more formal efforts that the company provides as opportunities for CD found to be mostly internal, such as in-house training. Some of the more recent efforts for strengthening competence among the employees are education in English language (requested by the employees), which is connected to technical terms at work, and to build confidence among them to be able to deal with matters that may not be particularly in the Swedish language. Others are education in REX-reading, a sort of summary information the SDCC receive from KFM, that need to be interpreted correctly in order to be valuable for further action. More evaluations and reports that are made to clients are conducted in the Excel program and another desired education among the study participants, in which the managers have already taken part. The most common way of gaining competence, except on-the-job learning, is by receiving one or two hour’s in-house education, held by a manager which in turn has been on a formal external course. This is usually followed up by the employees taking a test, in where the answers are further discussed in one-to-one sessions for gaining further knowledge before put into practice.

“When the managers have been to external training they often hold ‘education’ for us, a presentation of what they learned for about an hour. They claim this to be for us to take part of the main learning points without having to send everyone to a course. I think it is more about saving money” (D, personal communication, 2013-04-30)

However, it is also found that the employees would like longer sessions that includes also practical elements since the efforts for CD time to time is experienced as more of informative sessions, which goes through how a new routine is to be done, but not necessarily involve any practise.

“They call it education but really, it’s more about sharing information” (A, personal communication, 2013-04-28).

“You can only learn something by actually doing it” (C, personal communication, 2013-04-29).

Another request by the participants is to attend training and education that are held by people being experts in their field, and external to the company. Much of the courses are when managers are in charge of the education, and therefore felt by the employees that they adjust the content to what they think the employees need to know, more than what they value.
Career Management
The findings suggest that career management as a part of CD is mostly on the behalf of the employees themselves, and therefore experienced as being absent. It is claimed that once every year are formal performance appraisals conducted in connection to wage development but perceived by the employees as being focused more on what one do satisfactory or unsatisfactory, rather than what possibilities for development that are available for them in the organisation.

“It’s totally in my own interest. If you don’t push it yourself nothing will happen either” (D, personal communication, 2013-04-30).

“Upon my own request have I had discussions with my manager about career and development opportunities…I think that’s the way you have to do it here” (C, personal communication, 2013-04-29).

Personnel Mobility
Regarding personnel mobility have several of the participants applied internally to vacancies at other departments in order to gain new knowledge and ability to do other tasks. However, they feel constrained by some managers to gain that opportunity due to personal chemistry, or that they do the current work good enough and therefore will not be ‘released’ from the debt-collection department, which is expressed as a concern by the following interviewee:

“Compared to a few years ago, there are fewer mobility options within this company today. Therefore I guess you can say that it decreases the possibility for challenges as well as personal development” (A, personal communication, 2013-04-28).

The interviewed manager confirms this, but has another viewpoint for the reasons and that it is why other CD efforts are more common at the SDCC.

“More recent years it has become more difficult to attract good workers to the debt-collection department. Therefore is it our responsibility to give the employees options for CD and personal development in order to keep them motivated, productive and effective, rather than promoting other departments” (E, personal communication, 2013-04-30).

Therefore tries this SDCC to develop competencies of their employees by assigning them new responsibilities and tasks which aim to help develop competencies, without having to switch department or job. Moreover is recruitment in the SDCC found to be an internal and external mix, where for higher positions external recruitment are more common and for regular debt-collection, recruitment takes place among existing employees’ personal network.
Again it is acknowledged in the findings that much of the responsibility for gaining competence and develop within this SDCC are on the employees themselves, indicating support for Hoekstra H. (2011). The efforts for CD which the employees are exposed to are mostly informal, in particular in-house training and on-the-job learning, while more external efforts are available to the managers. This indicates that the CD efforts that this SDCC provide to a wider group of debt-collectors excludes other parts of CD, such as teambuilding as suggested important by Gangani et al. (2006). Lai (2011: p.153) suggested that “although training and development enhances employees’ competencies... noteworthy gains may be achieved by making efforts to satisfy employee’s need to utilizing their competencies that have been acquired through training and development” which get support in this study where employees' found the limitation for personnel mobility as demotivating and hinder their own development. Furthermore is career planning advice limited, which may constrain the development of competencies among employees according to Ellström & Kock (2008). The request by employees to receive longer sessions for CD efforts and that they are to be held by people external to the organisation, or with more involvement by the Human Resource manager indicates that the position of power and visibility within the organisation will impact on the credibility in the process of implementation, as suggested by Bergenhenegouwen et al. (1996) and more recently also by Gangani et al. (2006).

4.7) Performance Management, Evaluation and Reflection

Since CD is also about managing competencies this is connected to performance management. By this the SDCC carries out competence assessment during the yearly performance appraisal that aims to form guidance for the employees what competencies that are good, or need development. This in a way do also form the foundation for identifying if there is any other common gaps in knowledge among the workforce that need to be evaluated further.

Moreover suggest the findings that the employees’ perceive the efforts for CD to be relevant when they are aligned with their own values, or experienced competency gap. One example of this is the courses connected to computer skills, which enabled better and more efficient use of the program the employees operate within. Another is the education at KFM which also enabled a better holistic view of the process of collecting debts. Internal training such as the REX-reading is perceived as valuable since opening for new ways of interpreting the information, captured in the following quote:
“Even though I’ve been working here for many years and know the basics in this profession inside out, I learned new ways of how to analyse REX which has given me more options when collecting debts” (C, personal communication, 2013-04-29).

Competencies and additional skills that the employees have gained by working at the SDCC and its efforts for CD are found to be computer experience, English skills, techniques for calling people under pressure and broader knowledge about various regulations like the Swedish law. It is also found that while some courses and training sessions may not be directly connected to the tasks one does on a daily basis, it has been fruitful in other ways for the participants.

However, one larger effort for CD was conducted two years ago where external experts were taken in, and was aligned with employees’ objectives did not improve performance or competencies. This as no change was implemented from the management and performance management were absent, it has been a waste of resources in many ways. Otherwise are results from the efforts for CD found to be monitored and measured mostly in statistical terms. More recently also through exams conducted by the participants. If an education is performed by any of the managers, and of value for the rest of the debt-collection department there is time set off for knowledge sharing that aim to enhance the effectiveness of training, which aim to enable better control of learning and therefore an ability to secure a better output. Furthermore it is found that the various efforts for CD, and effects of them do not only close competency gaps, but also opens up for reflection in other areas that may need to be focused upon.

At this stage seems the developed conceptual model to take a new turn. The SDCC’s competence assessment during the yearly performance appraisal informs the employees what competencies that is satisfactory and what need improvement. However, the incorporation into the performance management system seem not be present and therefore will it necessarily not be aligned with the individual’s objectives, partly contradicting Gangani et al. (2006) in where the goals of the organisation therefore cannot be ensured. The example of the partly unsuccessful larger CD effort two years ago can be described as one case where the reflection and evaluation upon this CD effort did not result in desired outcome, and where actions have been taken more recently to ensure the effectiveness of future training and education. This indicates consistency with Mulder & Collin’s (2007) research where reflection and evaluation will make the process of CD implementation a circular process of learning before any desirable output becomes visible, and of importance to focus on since it otherwise becomes costly for the organisation in various ways. The employees’ reflection upon gained competencies, the monitoring of results and the
competency assessment during the yearly performance appraisal seems therefore to be conducted at the same stage in the model, and not two as suggested earlier.

To sum up it is evident from the findings that the interest for- and awareness of CD exist, and while the conditions for implementing CD may not be the best, or recognised by the organisation as any major source for gaining a competitive advantage, the efforts that took place were perceived as valuable, inspirational and rewarding if aligned with the participants’ objectives. Competencies are mainly developed through on-the-job learning and in-house training for most of the employees, while managers are target for more formal CD efforts. The process of CD implementation is also found to be changing and adapting to market needs in where the organisation’s CC and resources for CD efforts change (Srivatsava 2005). However, career management and personnel mobility as a Human Resource practice in CD was not found in this SDCC to any greater extent, which may have an impact on the employees’ commitment, loyalty and ultimately also performance that can affect the entire process of implementing other CD efforts.

4.8) Participants' engagement for improving the process of CD implementation

A better ability to impact on what efforts for CD that are to take place is recognised by the interviewees, also that they should take place outside the office, during longer time, include more practical elements and cover more employees than today. These suggestions for future CD efforts and the way they are to be implemented can therefore provide a new linkage in the conceptual model, in where it could help to avoid some dysfunctional effects of CD as suggested by Ellström & Kock (2008). Furthermore can it possibly also provide support for Crawshaw et al. (2012) which claimed that transparency and allowance of employee input and influence on the process of CD will help organisations and its managers to understand their employees’ reactions towards decided Human Resource practices.
5) Discussion

This chapter will present a summary of this dissertation and discuss how the findings answer the articulated research question. It will also discuss the contributions made by this study and provide a refined model for implementing Competence Development.

5.1) Summary of Dissertation

This dissertation flows from the RBV of competence, which examines an organisation’s potential capabilities in gaining a competitive advantage through a strategic use and development of its human capital (Johnson et al. 2011; Wright et al. 2001). While (human) resources in itself do not create value, but are dependent on the organisation’s ability to manage its resources, it is suggested that the organisation’s capacity to deploy those resource through actions (Sayyen 2010) will help an organisation to attain CC and a sustained competitive advantage (Clardy 2008). This emphasises that the process of implementing CD efforts in an organisation might impact the outcome, in where the interaction between each stage in that process contributes to the end-result.

Several factors are suggested necessary in reviewed literature for successful CD implementation, such as good learning climate (Kock et al. 2007), fair evaluation of current practices (Clardy 2008), support by management (McDonald & Hite 2005), monitoring against results (Bergenhenegouwen et al. 1996) and reflection upon experience (Mulder & Collins 2007), to name but a few. To answer the research question of how the process of CD implementation is structured within the debt-collection industry, a review of existing literature in the field of Competence and CD became a foundation for the development of a conceptual model. It shows that the process of CD implementation from input to output is structured as a circular process of learning. Thereafter was an interview guide developed and semi-structured interviews conducted with employees at a SDCC.

This study has shown that employees are aware and interested in CD, both from a professional and personal perspective. While the conditions in place both constrain (i.e. organisational culture) and support (i.e. working in pods) CD, the availability for it seem to be a product of interaction between employees, managers and external stakeholders (i.e. customers) and where evaluation from a need analysis conducted by managers decide whether it is a source for a Competency Gap or not. The findings suggest that this SDCC develop competencies mostly through in-house training and on-the-job learning, while career management and external formal education are more or less absent as a Human Resource practice to strengthen competencies among its employees. The efforts for CD are perceived as valuable if aligned with the employees’ objectives or perceived Competency Gap, and the
success in the outcome seem to be dependent on the way it is communicated and supported by management, but also for what purpose it is conducted.

The process of implementing CD is found similar to the developed conceptual model, although differences exist. The process in where the participants’ gain competence on a day-to-day basis can be described mostly by discussing an issue with their colleagues or manager for the best option, which they thereafter try to put into practise by persuasion of the indebted person or client they have on the phone. When they in turn eventually pay the money, the participant’s claim to know whether the chosen strategy was good or not and can be considered as a gained competency. Therefore, the process is circular where evaluation and reflection gives the foundation for better efficiency in future CD implementation.

5.2) Refining the Conceptual Model

The process of CD implementation can holistically be viewed as an input-process-output mechanism with influences of smaller circular sub-processes. However, as presented in previous chapter seem the process in CD implementation not to be entirely consistent with the developed model. The stage of conceptualisation of CD plans and selection of participants seem to be conducted in one integrated step. Neither seems Performance Management and Reflection- and Evaluation to be two distinct steps but conducted more or less simultaneously. Employees’ demand for future improvement in CD efforts has resulted in an additional box in the model, which possibly can contribute to make the process of CD implementation even more effective and satisfactory onwards and the output is changed to ‘developed competencies’ as this is the end-product of implementing CD in an organisation. Therefore, it is suggested that the process of CD implementation within this SDCC are more similar to the one in figure 4, than the previous presented conceptual model in figure 1 (page 20).
A more extensive discussion of the previous presented changes in the model follows below.

**Conceptualisation of plans and selection of participants for CD efforts**

Drejer (2001) argued that the selection of employees for participating in CD efforts, combined with how it is communicated will be a brick stone for how employees’ perceive the organisation CD efforts and take advantage of new skills. Gangani et al. (2006) suggested that communication of purpose, process and impact of initiative are crucial for successful CD implementation by assuring employees how it will be of value to them. The way that the organisation support and allot resources would impact on the potential value of return according to McDonald & Hite (2005).

The empirical findings suggest that CD plans and selection of participants for CD efforts are based mostly on clients that require exclusive notice, of value in the need-analysis or requested by several sources within the organisation. Furthermore, the ways that people are selected for CD efforts, or presented to them are experienced to be with a focus on correcting errors rather than supporting CD. Therefore seem the employees to evaluate the actions for CD efforts based on the way it is communicated, whom receives it and who is in charge for implementing it as a collective sum rather than two individual steps, which has contributed to refining the model in order to provide a more complete picture of how CD implementation is structured in this industry.

**Management of Performance, Evaluation & Reflection**

Bergenhenegouwen et al. (1996) suggested monitoring of results to validate the efforts for CD. Gangani et al. (1996) argued that incorporation into the performance management system would ensure individual- and organisational objectives. Mulder & Collins (2007) highlighted the need for reflection upon experience both statistically and personally in order to improve output, and redesign and reactivate CD efforts by going through the learning process once more in order to achieve desirable output (Bergenhenegouwen et al. 1996).

Since it has become evident during the analysis of empirical findings that the organisation conducts competence assessment, but do not align or incorporate it with the performance management system can it not be considered as a part of the core-process of implementing CD, nor justifying it as a process of its own. Furthermore it has become visible that the ‘unsuccessful larger CD effort’ two years ago has been reflected upon and brought a learning process where new guidelines are incorporated to ensure a better process onwards, with measurement of results and dialogue with employees which help to reconnect with ‘identification of competency gap’ and gain output as ‘developed competencies’ among the
employees. Therefore is the new box ‘management of performance, evaluation & reflection’ more consistent with reality which contributed to refining the model, to better picture how CD implementation is structured within this SDCC and the Swedish debt-collection industry.

**Participant’s engagement for improving the process of CD implementation**

Ellström & Kock (2008) highlighted the importance of considering employees’ subjective need for CD and their previous experience of it. Pinnington (2001) suggested that employee’s perspective of CD differs depending of factors such as background and position in the organisation. Crawshaw et al. (2012) claimed that if managing to arrange CD efforts which incorporate employee input and influence, will help to understand employees’ reactions to the organisation’s decision making and avoid some dysfunctional effects of CD (Ellström & Kock 2008).

The empirical findings highlight several improvements that can be made for improving the process, such as a better ability to impact on what efforts for CD that are to take place, that they should take place outside the office, during longer time, include more practical elements and cover more employees than today. These suggestions for future CD efforts and the way they are to be implemented have therefore provided a new linkage in the conceptual model, as a sub-process. It is the results from ‘management of performance, evaluation and reflection’ which through participants’ engagement shall allow to impact on the entire process (being pictured as a linkage into ‘identification of competency gap’). By this it can improve and affect the entire process of CD implementation onwards, and therefore justifying this additional linkage in how the process of CD implementation is structured.

### 5.3) Possible Contributions

This study was interested in exploring the gap between factors contributing to CD and results of it, since it has become evident that the process of CD is still a ‘blackbox’, whose internal linkages are unknown. It has explored the implementation process of CD strategies through reviewed theory, and the development of a conceptual model contributes theoretically to the field of research. The model was the foundation for the specific interview guide for investigating those processes, contributing methodically. Empirically has this study shown how CD is structured within a specific part of the finance sector- the debt-collection industry. By investigating the process of CD Implementation as perceived by those undertaking it, this study has provided practical contributions for managers, which may be useful in the future when conducting and implementing Human Resource Practices, that aim to develop competencies among the company’s workforce in order to gain better performance.
6) Conclusions

The final chapter highlights the findings of this study, critical reflections, presents managerial implications and provides recommendations for future research.

6.1) Concluding remarks

This study has been investigated how the process of CD implementation is structured in the debt-collection industry. Research has put attention to CD the last 40 years in where conditions for it- and effects of it have been investigated in different cultures, sectors and with various methods. However, a gap still existed between the factors contributing to better CD and results of it. Therefore, this study aimed to investigate the process of CD implementation based on those undertaking it, in order to bridge that gap and gain insight about how it could give different outcome in terms of performance, useful for companies practicing HRM in general and CD in particular.

CD is found as a process of learning. If learning is the key to understand how competence develops, then one needs to consider how learning is created and how people learn differently (Drejer 2001). Although the contingencies will be different for different organisations such as desired type of competence, internal & external environmental dynamics and national culture, the findings in this study and the conceptual model can help to understand the way the process of implementing CD is structured, and what different aspects to consider in order to ensure the best possible outcome.

Furthermore, there appears to be a strong relationship between how the employees evaluate the organisation’s actions for CD efforts and the engagement they put in for gaining new knowledge and competencies. This seem to be based how the efforts for CD is communicated, whom receives it and who is in charge for implementing it, analysed as a collective sum rather than two individual steps as the original conceptual model suggested.

Since it has been argued that (human) resources in itself do not create value, but are dependent on the organisation’s ability to manage its resources (Sayyen 2010), it is suggested that the organisation’s capacity to deploy those resource through actions will help an organisation to attain CC and a sustained competitive advantage (Clardy 2008). The findings in this study emphasises that the process of implementing CD efforts in an organisation impact on the outcome, in where the interaction between each stage in that process contributes to the end-result. By this has this study in an orderly manner explained how the ‘black box’ of CD implementation is structured and contributed to answering the research question and bring new insight to the field of research.
Therefore this study highlights the need to strategically use and incorporate the human capital into the social- and organisational capital in order to achieve a competitive advantage.

The findings in this study suggest that it is the organisation’s responsibility to provide a foundation, opportunities and resources that enables the best outcome, while the employees themselves set the standard for how much they will take advantage of it. This has resulted in an additional link in the refined conceptual model, which allows employees to impact on the entire process through their engagement for how the process of CD implementation can be improved. Therefore, this study argues that if employees can have input and influence on each stage of the process, better outcome will be provided since it will be aligned with their objectives, personal and professional.

6.2) Critical Reflections

Critical reflections from this Case Study are mostly connected to methodological issues. One is that the participants were selected based upon self-selection sampling which can impact of the width of opinions and answers provided. Another is the amount of participants interviewed and choice of organisation. The SDCC subject for this study is selected upon the fact that it enabled the researcher, as an employee, to gain access to participants and therefore include a risk of bias, but also a better insight into how the process of CD is conducted in this company. Moreover, it is a cross-sectional study due to limitation in time, in where a longitudinal study combined with other methods for data collection possibly could have caught more patterns and interesting findings. Therefore it is worth to highlight that the findings provided are limited in terms of generalisations, although this is not a primary goal for a qualitative Case-Study (Yin 2009) and hopefully can the analytical generalizations provide new insight to the link between concepts by opening up the ‘blackbox’ of CD implementation.

Furthermore the interviews was conducted via Skype or phone in where it may not provide the optimal quality in securing non-verbal behaviour, or the atmosphere that one’s whish for during interviews. The reason for this was financial limitations, but hopefully will the participants knowledge of me since before, and I of them, weigh out this fact. It was also recognised during the interviews that the concept of CD meant different things to different participants, and therefore needed some of the questions better explanation before a full answer was provided. Once the answer for a question was provided, there was no pressure for clarifying in order to stay within the right ethical frames (Saunders et al. 2009).
6.3) Managerial Implications
This research has brought clarity into how the process for implementing CD is structured in a particular part of the finance sector - the debt-collection industry. The conceptual model and findings from this study contributes to a more practical and orderly manner when working with HRM and implementing CD. Furthermore it will help managers to arrange Human Resource Practices that are of value to the employees, securing a better output and performance. Therefore provides this study a framework from which practitioners and managers can better understand the linkages and challenges of the previous 'black box' process of CD implementation.

The findings from this study provides a 'snapshot' over the current situation (at the debt-collection department) and knowledge of what the employees find inadequate with several processes within the organisation. This in turn can provide a foundation for further investigation and help the Human Resource Manager at the SDCC in her continuous work towards a better workplace and committed employees.

This study provides also arguments for putting the employee more central, and to consider their thoughts regarding CD when an organisation, and this SDCC, create its Human Resource policies. Thereby shall the organisation in a strategic manner be able to take better advantage of its human capital, towards achieving the objectives of the organisation. If incorporating its human capital better with the social- and organisational capital creates it CC, which in turn can be a source for competitive advantage.

6.4) Recommendations for future research
Possibly are there viewpoints and patterns which were not brought to surface in this research due to limitation of time, bias and amount of participants combined with the choice to conduct the research on a single organisation in a specific sector of Sweden. Therefore can future research use other methods for collection data, conduct it in different sectors, include more participants or test the findings of this study quantitatively. To conduct a longitudinal study, with a larger amount of participants could provide a deeper understanding on the process of CD implementation, and possibly also ease for generalising of findings. In addition to this can future research on a similar topic in other cultural settings find out how the findings in this study are valid outside of Sweden.
References


Appendices

Appendix 1) Kolb’s Learning Cycle
Picture Source: http://blog.globalknowledge.co.uk

Appendix 2) The Research ‘Onion’
Source: Saunders et al. (2007: p. 138)
Appendix 3) The interview guide

This interview is held with the purpose of collecting data for my dissertation and research connected to the process of CD implementation. The responses and participants will be kept anonymous and not be able to track to any individual. After my project is completed, the recorded interviews and notes of it will be deleted.

Do I have your informed consent to record this interview? YES NO

Date and time for interview: Respondent:

General opening questions
1. Age: 18-25 26-35 36-45 46-50 51-
2. Current employee since:
3. Can you describe your workplace? Kan du beskriva din arbetsplats?
4. Can you describe your daily tasks at work? Kan du beskriva dina dagliga arbetsuppgifter?

Key Questions
5. What does CD mean for you? Vad betyder kompetensutveckling för dig?
6. In what ways do you find CD important for you? På vilket sätt tycker du att CD är viktigt för dig?
7. Can you describe how (the process of) you and your colleagues gain competence within the organisation? Kan du beskriva hur (processen) du och dina kollegor erhåller kompetens inom företaget?
8. Can you describe what opportunities you have for personal development in this company? Kan du beskriva vilka möjligheter du har för personlig utveckling i det här företaget?
9. What sort of opportunities does the company provide for your development of new competencies? Vilken typ av möjligheter ger bolaget för utveckling av ny kompetens?
10. In what ways do you consider this company to provide opportunities for CD? På vilket sätt anser du att detta företag bidrar med möjligheter till kompetensutveckling?
11. Can you describe how the working climate and culture in place support or constrain CD? Kan du beskriva hur arbetsklimatet och företagskulturen stödjer eller motarbetar kompetensutveckling?
12. What conditions in this organisation are created to stimulate on-the-job learning? Vilka förutsättningar finns i denna organisation som stimulerar lärande i det dagliga arbetet?
13. What internal factors do you think impact on the availability for CD? Vilka interna faktorer tror du påverkar tillgängligheten för kompetensutveckling?
14. Can you describe in what ways the need for additional training and education are recognised? Kan du beskriva på vilket sätt behovet för ytterligare utbildning upptäcks?
15. What affects the need for further CD at your work? Vad påverkar behovet av ytterligare kompetens på ditt arbete?
16. Can you think of any external factors that may impact on the availability for CD? Kan du komma på några yttre faktorer som kan påverka tillgängligheten för kompetensutveckling?
17. Can you describe in what ways the need for additional training and education are recognised? Kan du beskriva på vilket sätt behovet av ytterligare träning och utbildning vanligtvis upptäcks?
18. How do current routines enable CD at the company? På vilket sätt möjliggör nuvarande rutiner kompetensutveckling på företaget?
19. Are there any routines or practices that you are dissatisfied with, or found ineffective? Finns det några rutiner eller förfaranden som du är missnöjd med, eller finner ineffektiva?
20. How are current routines and practices evaluated within the department you work? Hur sker utvärdering av nuvarande rutiner och praxisar inom inkassoavdelningen?
21. Can you describe any area where you would need more skills? Kan du beskriva något område i jobbet där du skulle behöva mer kunskaper?
22. Can you describe the challenges you experience at work? Kan du beskriva utmaningarna du upplever på/med jobbet?
23. Can you think of any competency among employees that is: Kan du komma på någon kompetens bland medarbetarna som är:
   a. Valuable to customers? värdefulla för kunderna?
   b. Rare among you and your colleagues? Sällsynta bland dig och dina kollegor?
   c. Inimitable and difficult for a competitor to copy? Oefterhärmliga och svåra för en konkurrent att kopiera?
   d. Non-Substitutable and unique to this company? Icke-utbytbara och unik för det här företaget?
24. In what ways can you impact on the choice of further training and education? På vilka sätt kan du påverka valet av fortbildning och utbildning?
25. What efforts for CD are you exposed to? Vilken sorts kompetensutveckling utsätts du för?
26. Can you tell me about any course that you found particular good/ useful. Kan du berätta om någon kurs som du tyckte var särskilt bra/ användbar.
27. How are the suggestions for education/ training developed in the organisation? Hur utvecklas förslagen för vidare utbildning / fortbildning i organisationen?
28. Who perceive CD in this organisation? Vem erhåller/får kompetensutvecklingsmöjligheter i den här organisationen?
29. How are the courses for CD presented to you? Hur är kurserna och utbildningarna presenterade för er (anställda)?
30. Who play an important role in the process of CD? Vem spelar en viktig roll i processen för kompetensutveckling?
31. What actions do you expect from the managers to support CD at the company? Vilka åtgärder/ åtaganden förväntar du dig från chefen för att stödja kompetensutveckling på företaget?
32. Can you describe how your manager supports your CD? Kan du beskriva på vilket sätt din chef stödjer din utveckling av kompetenser?
33. How do you perceive the company’s efforts for CD? Hur upplever du företagets ansträngningar för kompetensutveckling?
34. In what ways have the efforts for CD been relevant for you to gain knowledge? På vilka sätt har insatserna för kompetensutveckling varit relevanta för dig?
35. How are training and education conducted within the organisation? Hur bedrivs träning och utbildning inom organisationen?
36. Which methods for training/education/ career development are used in this organisation? Vilka metoder för vidare träning /utbildning / karriärutveckling används i den här organisationen?
37. Is it formal or informal procedures that take place to stimulate learning within this company? Är det formella eller informella utbildningar som sker för att främja lärande inom företaget?
38. What ambitions do you have with your work the coming years? Vilka ambitioner har du med ditt arbete de kommande åren?
39. In what ways is career management organised for you? På vilka sätt organiseras det karriärplanering för dig?
40. Can you describe what opportunities you have for personal development in this company? Kan du beskriva vilka möjligheter du har för personlig utveckling i det här företaget?
41. How do you perceive the future evolution of a career in this organisation? Hur upplever du den framtida utvecklingen av en karriär inom denna organisationen?
42. How are recruitment conducted in this company? Hur genomförs rekrytering i det här företaget?
43. In what ways do you/ do you not consider the courses to be relevant for you? På vilka sätt anser/ anser du inte att kurserna som erbjudits är relevanta för dig?
44. Can you tell me anything you learned through the efforts for CD that has been useful for you personally? Kan du berätta om något du lärt dig genom insatser för CD som har varit till nytta för dig personligen?
45. How do you experience the organisation’s efforts for training and education? Hur upplever du organisationens insatser och ansatser för vidareutbildning?
46. Can you give me any example of how efforts for CD have made a difference for you at work? Kan du ge mig några exempel på hur insatser för CD har gjort en skillnad för dig på jobbet?
47. How are the results from CD efforts monitored? Hur mäts resultaten från CD-insatser inom företaget?
48. How do your expectations of the course/training/education align with your experience of it? På vilket sätt motsvarar dina förväntningar på kursen/ utbildningen din upplevelse av den?
49. Which competencies have you gained through training? Kan du säga någon kompetens du har fått genom utbildning?
50. How are the courses evaluated? Hur utvärderas kurserna?
51. In what ways does that result become a foundation for identifying new Competency Gap? På vilka sätt blir det resultatet en grund för att identifiera nya kompetensluckor?
52. What have you learned from the course? Vad har du lärt dig av kursen?
53. Is there anything that could have been done differently to improve learning? Finns det något som kunde ha gjorts annorlunda för att förbättra lärandet?
54. Can you tell me anything you learned through the efforts for CD that has been useful at work? Kan du berätta om nåt du lärt dig genom insatser för CD som har varit till nytta på jobbet?
55. Can you give me any example of how you made use of your new skills acquired? Kan du ge mig något exempel på hur du kunnat använda dina nyförvärvade kunskaper?

Closing Questions
56. Is there anything that could have been done differently to improve learning? Finns det något som kunde ha gjorts annorlunda för att förbättra lärandet?
57. Is there anything you would like to add before closing down? Finns det något du skulle vilja tillägga innan vi avslutar?
Linda Karlsson is a bachelor student at Halmstad University following the European Business Program. She has also been part of the Reverse Double Degree at University of Worcester (UK) where she received a Single Honours in International Business.