

COMPETENCY-BASED HR PLANNING AND PERFORMANCE GAPS IN LOCAL COOPERATIVES: EVIDENCE FROM CIKALONG VILLAGE, PANGANDARAN

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Abstract

This study seeks to understand how competency-based human resource planning can meaningfully contribute to narrowing the performance gap within local government bureaucracies. Grounded in initial observations of misalignment between ideal and actual employee competencies, the research examines in depth the processes of competency mapping, the range of internal and external barriers encountered, and the ways these dynamics ultimately shape organizational effectiveness. The qualitative approach is employed not merely as a methodological choice, but because interviews, observations, and document analysis capture operational nuances that quantitative data often miss. The findings indicate that when competencies are placed at the core of HR planning, employee placement becomes more objective, organizational accountability strengthens, and the bureaucracy becomes more capable of adapting to the increasing complexity of public service demands. However, it is worth noting that the process is far from seamless. The clarity of competency standards, the reliability of HR information systems, and the adaptability of organizational culture emerge as critical determinants of success. Taken together, the study underscores that competency-based HR planning is not simply a technical procedure but a strategic imperative for local governments aiming to reduce performance gaps and enhance the quality of public sector governance.

Keywords: Competency-Based HR Planning, Competency Mapping, Local Government Bureaucracy, Performance Gap, Public Sector.

A. INTRODUCTION

Changes in the strategic environment and accelerated digitalization have forced public organizations to employ personnel who are not only technically proficient but also adaptive and innovative in maintaining the sustainability of service quality to the public (Grace et al., 2024). However, several studies have shown that many organizations, both central and regional, still face the problem of competency mismatch between job demands and actual employee capabilities, ultimately reducing the effectiveness of overall organizational performance (Hutapea & Thoha, 2008). This competency mismatch has been shown to impact service quality because employees lack the adequate capacity to meet increasingly diverse and complex public expectations (Wibowo, 2017). It is worth noting that competencies have long been viewed as a key predictor of performance, so the failure to meet core competencies can widen the gap between ideal performance and actual performance expected by an organization (Spencer & Spencer, 1993). Against this backdrop, competency-based HR planning is increasingly relevant as a strategic approach to improving organizational quality as it faces the pressures of structural change and technological

development (Schuler & Jackson, 2014). In the public sector, this competency gap is further compounded by a pattern of HR needs development that is still dominated by administrative and seniority considerations, rather than objective and measurable competency analysis (Belényesi & Dobos, 2022).

This situation not only creates inefficiency but also weakens the organization's ability to respond to rapidly changing societal needs (Psomas & Antony, 2017). The challenge becomes even more apparent when the Cikalong Village Cooperative in Pangandaran faces limited resources, weak competency mapping, and an unintegrated personnel information system, hindering the optimal planning process (Boxall & Purcell, 2016). Numerous studies emphasize the importance of integrating competencies into HR planning as a way to strengthen governance and increase organizational competitiveness. Therefore, the Cikalong Village Cooperative in Pangandaran requires an HR planning strategy that truly aligns with job requirements to reduce the performance gap, which has been a major challenge to organizational performance (Saleh et al., 2023).

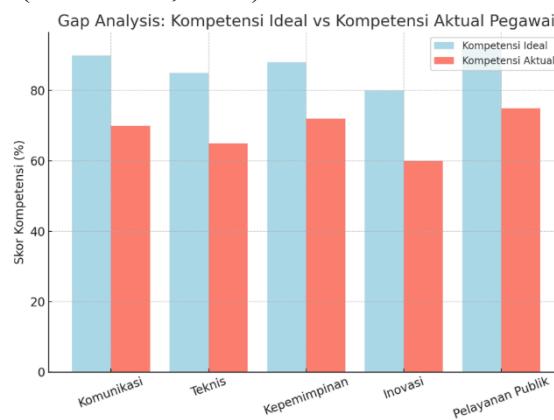


Figure 1. Employee Competency Gap: Comparison of Ideal and Actual Competencies in the Cikalong Village Cooperative, Pangandaran
Source: Processed by Researchers, 2025

The Gap Analysis graph shows a striking difference between ideal and actual employee competencies across all measured aspects, from communication and technical aspects, leadership, innovation, and public service. The largest gap is seen in innovation and communication, indicating that employees lack the adaptive and creative capacity needed to address the complex demands of modern public services. Meanwhile, the gap in leadership demonstrates that the ability to provide strategic direction, make decisions, and influence change remains below the standards expected by the organization. Even in the public service dimension, which is the core of organizational implementation, actual competencies have not yet reached the ideal level required to meet public expectations. Thus, this graph emphasizes the urgency of implementing competency-based human resource planning as a strategy to address performance gaps and improve organizational effectiveness.

In the context of the Cikalong Village Cooperative in Pangandaran, the competency gap is even more apparent because the organization is at the forefront of public services and directly addresses the diverse needs of the community. Limited resources, unsystematic competency mapping, and employee placement not based on core skills often result in apparatus performance falling short of expected standards. This inaccuracy results in less efficient and responsive public services, making it difficult to meet the ever-evolving demands of the public. Furthermore, regional organizations often face pressure from regulatory changes and demands for innovation, which cannot be optimally addressed if employee competencies are not aligned with job requirements. This phenomenon further

emphasizes the need for competency-based HR planning as a fundamental strategy to close the performance gap and strengthen regional governance.

Several previous studies have emphasized the importance of competency as a foundation for improving the performance of public organizations. Spencer and Spencer (1993) demonstrated that systematically measured competencies can improve the match between individuals and job requirements, while Wibowo (2017) demonstrated that competency-based HR planning can improve service effectiveness in the public sector through more appropriate employee placement. Hutapea & Thoha (2008) also added that competency plays a crucial role in strengthening work culture and promoting organizational accountability. Interestingly, however, these studies have focused on developing individual competencies or general service efficiency, without delving deeper into how competency-based HR planning can impact the performance gap in regional government. Thus, this study occupies a different position because it specifically examines the relationship between competency-based HR planning, actual competency mismatches, and performance gaps in cooperatives that have much more complex operational dynamics and implementation challenges.

The originality of this research lies in its attempt to integrate performance gap analysis with a competency-based HR planning framework in the context of local government, a field of study rarely touched upon by previous research (Talerico C, 2022). This focus becomes increasingly important considering that the cooperative faces limited resources, regulatory pressures, and increasing customer service demands, so that the competency gap directly impacts service effectiveness. Therefore, the urgency of this research arises from the need to formulate a more adaptive, accountable HR planning strategy that is truly aligned with the demands of the position so that the region can improve the quality of its governance and public services. Based on a series of phenomena, this study aims to analyze how competency-based HR planning can be effectively implemented to reduce the performance gap, identify supporting and inhibiting factors for its implementation, evaluate the relationship between ideal and actual competencies, and formulate strategic recommendations to strengthen HR capacity at the Cikalong Village Cooperative in Pangandaran. With this approach, this research is expected to provide significant theoretical and practical contributions to the development of public sector HR management.

B. LITERATURE REVIEW

Competency Theory

Competency theory explains that a person's work success is influenced by fundamental characteristics that include knowledge, skills, attitudes, and values (Spencer & Spencer, 1993). Competency extends beyond technical abilities to include consistent behavior across various work situations. According to this theory, competency can be measured and developed through education, training, and work experience. The greater the match between an employee's competencies and job demands, the more optimal their performance will be. Therefore, competency theory provides an important framework for designing competency-based human resource planning. Indicators:

- Job-relevant knowledge
- Technical and non-technical skills
- Work attitudes and motivation
- Professional values and ethics

Strategic Human Resource Planning Theory

Strategic HR planning theory stems from the understanding that organizations need to align HR needs with strategy and environmental demands to achieve sustainable adaptation (Boxall & Purcell, 2016). HR planning is viewed as a systematic process of projecting future

competency needs, analyzing gaps, and preparing employee development interventions. Boxall and Purcell (2016) explain that competency-based HR planning is key to improving organizational effectiveness, especially when organizations face regulatory dynamics and the complexity of public services. This theory emphasizes the importance of integrating job analysis, competency mapping, and employee development in achieving organizational alignment. Thus, strategic HR planning is a relevant approach to addressing the performance gap within the Cikalong Village Cooperative in Pangandaran. Indicators:

- Job needs analysis
- Competency mapping
- HR gap analysis
- Employee development and placement
- Alignment of HR with organizational strategy

Performance Theory

Performance theory emphasizes that individual work outcomes are influenced by the interaction between ability, motivation, and job opportunities (Campbell, 1990). Employee performance is determined not only by skills but also by internal factors such as motivation and external factors such as organizational support. This model views performance as a function of measurable competencies and a supportive work environment. Organizations that design competency-based HR planning systems are believed to increase the effectiveness and efficiency of employee performance. Thus, performance theory serves as an important foundation for understanding the relationship between employee competencies and work outcomes. Indicators:

- Employee abilities and skills
- Motivation and work commitment
- Organizational support and the work environment
- Target achievement and productivity

C. RESEARCH METHODOLOGY

A qualitative approach was chosen because the issue of competency gaps and HR planning in the Cikalong Village cooperative in Pangandaran is a multidimensional phenomenon, involving interactions between organizational behavior, institutional dynamics, and personnel management practices that cannot be understood through numbers alone. A qualitative approach is particularly appropriate when researchers want to understand how a process occurs and why a phenomenon occurs, especially when the organizational context is a determining factor (Yin, 2018). Interestingly, in this study, the competency-based HR planning process and the emergence of performance gaps are not only related to formal structures, but also to how employees interpret job demands, cope with competency limitations, and interact within daily organizational routines. Therefore, comprehensive data collection techniques were developed through in-depth interviews, field observations, and documentation studies to capture experiences, perceptions, and operational dynamics in their entirety (Alam M, 2021). Semi-structured interviews were used to explore how HR planning was developed, how competency mapping was conducted, and any obstacles encountered in implementation in the field. Observations allowed researchers to directly observe work patterns and interactions between units, and documentation helped verify and enrich the findings from the interviews and observations (Creswell, 2014).

Informants were selected through purposive sampling, as this study required actors with a deep understanding of the HR planning process, competency evaluation, and direct experience with performance gap issues (Etikan et al., 2016). Informants were selected from

various strategic positions, such as BKD/BKPSDM officials, echelon structural officials, HR analysts, and implementing employees experiencing competency gaps, thus providing a rich and multi-layered picture. The number of informants was not determined from the outset but followed the principle of data saturation, which is the condition when the data obtained begins to repeat itself and no longer provides new information (Guest et al., 2020). Data analysis was conducted using an interactive model, starting with data reduction through coding and categorization, continuing with data presentation in the form of matrices and thematic narratives, and ending with a continuous process of drawing conclusions throughout the study (Miles et al., 2014). To ensure the credibility of the findings, source and method triangulation were used, as recommended by Creswell (2014), so that the interpretations obtained were not only accurate but also reflected the empirical conditions of the organization as a whole.

D. RESULT AND DISCUSSION

Strategic Importance of Competency-Based HR Planning

The implementation of competency-based HR planning, as evidenced by the various findings of this study, has a strategic reach that extends far beyond the administrative functions inherent in organizational practices. Systematic competency mapping has been shown to bridge employee capacity and the organization's strategic direction, ensuring that the organization not only follows procedures but also has a more solid foundation for responding to the dynamics of public service delivery. This aligns with the view of Spencer and Spencer (1993), who have long asserted that competency is the strongest predictor of individual performance and therefore should be the primary basis for all HR management decisions. These findings are further reinforced by a study by Wibowo (2017), which demonstrated that competency-based planning can improve public service effectiveness because employee placement is based on actual capacity, rather than seniority or often irrelevant administrative factors. Interestingly, a study by Boxall and Purcell (2016) adds the important perspective that organizations that integrate competencies into their HR planning processes tend to have stronger strategic cohesion and greater adaptability in the face of external pressures. Furthermore, interviews with informants revealed that more structured competency mapping contributed to increased objectivity in the training and promotion process, a condition that has been difficult to achieve in traditional organizational systems. This finding aligns with the study by Hutapea and Thoha (2008), which emphasized that integrating competencies into HR management can reduce structural bias while increasing transparency in employee career paths. It is noteworthy that Armstrong and Taylor (2014) also found that organizations implementing a competency approach tend to be more adaptive to regulatory changes and societal demands, as employee placement is based on the match between skills and job requirements. Thus, the results of this study not only confirm previous literature but also strengthen the argument that competency-based HR planning is a critical foundation for creating a responsive, adaptive organization that is oriented toward continuous performance improvement.

Internal Barriers: Organizational Constraints that Undermine Competency Integration

While conceptually, competency-based planning has almost undeniable strategic value, this study's findings reveal that internal barriers are both the most crucial and the most difficult to overcome in its practical implementation. The absence of clear competency standards, for example, often results in the HR planning process becoming an administrative routine without a solid strategic direction. This condition reflects a phenomenon also noted by Wibowo (2017), who observed that organizations are often more preoccupied with fulfilling procedures than with mapping employee capacity based on job requirements.

Interestingly, resistance to a work culture that is still highly hierarchical and tends to be rigid also deepens this problem, as some employees view transformation efforts as a threat to their comfort zone. This finding aligns with the analysis of Hutapea and Thoha (2008), who asserted that a rigid organizational culture is one of the biggest obstacles to implementing modern HR management practices.

In addition to cultural issues, a weak personnel information system is also a fundamental problem that makes it difficult to accurately map competencies. When competency data is not up-to-date and integrated across units, organizations lose a crucial foundation for designing evidence-based HR planning. This situation aligns with the views of Armstrong and Taylor (2014), who emphasized that the reliability and integration of HR data are key requirements for the successful implementation of a competency-based approach. Boxall and Purcell (2016) even add a more critical dimension by showing that organizations with weak HR infrastructure are highly susceptible to an implementation gap that is, the gap between policies that appear ideal on paper and practices that fall short of expectations on the ground. Taking these previous findings into account, it can be concluded that the success of competency-based HR planning depends heavily on the strength of the organization's internal capacity. Without consistent institutional reform and adequate information system support, the competency approach runs the risk of remaining a formal document without significantly impacting organizational performance.

Table 1. Internal Barriers to the Implementation of Competency-Based HR Planning

<i>Obstacle Categories</i>	<i>Problem Description</i>	<i>Impact on the Organization</i>
Unclear competency standards	No measurable guidelines for assessing employee competency	Human resource planning is subjective and not data-driven
Resistant work culture	Employees resist change and maintain old patterns	Innovation is hampered, slowing the transformation process
Lack of visionary leadership	No strategic drive for competency transformation	Misalignment between strategic needs and employee capacity
Weak HR information systems	No integrated competency database	Competency mapping is inaccurate, making it difficult to monitor employee development
Minimal coordination between units	The personnel function is not integrated	Human resource planning is administrative and not strategic

Source: Processed by researchers, 2025

Table 1 shows that internal barriers to the implementation of competency-based HR planning are structural and systemic, impacting the entire HR management process at the Cikalong Village Cooperative in Pangandaran. The absence of clear competency standards makes the planning process subjective and unsupported by measurable data, while cultural resistance slows adaptation to new competency needs that arise along with the dynamics of public service delivery. Furthermore, weak visionary leadership and minimal integration of HR information systems make it difficult for organizations to accurately map competencies, thus suboptimal opportunities for employee development. These barriers indicate that the primary problem lies not only in a lack of individual capacity, but also in the weak institutional infrastructure that supports HR planning. Therefore, the effectiveness of competency-based planning implementation depends heavily on the organization's ability to strengthen its internal structure to respond to strategic needs in a more adaptive and measurable manner.

External Pressures and Adaptive Capacity in Competency-Based HR Planning

In addition to the significant internal barriers, this study also shows that external factors have a significant influence on the effectiveness of competency-based HR planning. Interestingly, however, cooperative organizers in this study tended to view policy changes, technological acceleration, and labor market dynamics as threats to organizational stability, rather than as opportunities to adapt and strengthen their competency capacity. This defensive response seems to contradict the view of Schuler and Jackson (2014), who emphasized that external pressures can serve as catalysts for transformation when organizations are led by visionary figures who are able to predict the direction of change. This view is further reinforced by Boxall and Purcell (2016), who show that organizations with high adaptability tend to be able to convert external pressures into opportunities for competency development and strengthening strategic capabilities.

It is also noteworthy that a number of contemporary studies portray external dynamics more optimistically. Teece (2018), for example, using the dynamic capabilities framework, asserts that organizations that are able to proactively respond to environmental changes have a greater opportunity to build long-term competitive advantage. This perspective contrasts sharply with the findings of this study, which found that cooperatives tend to react to external pressures rather than develop employee competencies early. This also aligns with the observations of Armstrong and Taylor (2014), who warned that organizations that are slow to detect signals of change are vulnerable to capability erosion due to their failure to develop competencies that meet environmental demands. By examining the intersection of empirical findings and differing perspectives from previous literature, it can be concluded that the primary challenge lies not solely in the rapid changes in the external environment, but in the cooperative's internal ability to transform these pressures into drivers for competency improvement and HR governance reform.

Performance Implications: How Competency Planning Shapes Organizational Outcomes

The results of this study consistently indicate that integrating competencies into HR planning has a significant impact on improving employee performance and the quality of public services. When employees are placed according to their core competencies, motivation, loyalty, and adaptability to change appear to increase significantly. This finding aligns with Spencer and Spencer's (1993) long-standing argument that competency is a key determinant of individual performance. This finding is further reinforced by Wibowo (2017), who demonstrated that competency-based planning can substantially improve cooperative accountability. Moreover, Psomas and Antony (2017) illustrated that organizations that implement a competency-based approach tend to have a stronger culture of innovation and are more responsive to the dynamics of public needs.

However, it is worth noting that not all research supports a linear or deterministic relationship between competency and performance. Several previous studies have shown that individual competency does not automatically lead to improved performance if it is not accompanied by the support of organizational systems and work structures that enable employees to optimally express their capacities (Lado & Wilson, 1994). This perspective is reinforced by the findings of Delaney and Huselid (1996), who emphasized that organizational performance is influenced not only by the appropriateness of employee competencies, but also by the consistency of HR management practices, a conducive work culture, and quality. Interestingly, Andersen (2010) found that in some public sector contexts, employees with high competency can actually experience frustration when operating within highly rigid organizations, where their contributions are hampered by inflexible structures.

Interestingly, several studies have shown that high competency does not always correlate with performance when employees operate within rigid, rule-laden bureaucracies. DeHart-Davis and Pandey (2005) found that perceptions of red tape and organizational rigidity can reduce motivation and lead to frustration among public sector employees, even those with high capacity. This finding aligns with Brewer and Walker (2013), who asserted that overly procedural and inflexible work structures can hinder the contributions of competent employees by severely limiting their opportunities to exercise initiative and professional skills. This contradiction provides important insight that individual competence can only produce optimal performance if the bureaucratic environment provides adequate structural support and flexibility.

E. CONCLUSION

This research confirms that competency-based human resource planning is not merely a technocratic framework, but a strategic foundation that provides direction for improving organizational effectiveness. When competency mapping is carefully conducted and directly linked to job requirements, organizations are significantly able to narrow the gap between ideal competencies and actual employee capabilities. Interestingly, field findings demonstrate that this approach does not remain a static administrative procedure but instead becomes a transformational mechanism that strengthens accountability, improves employee placement, and helps cooperatives adapt to increasingly complex customer service dynamics. With these results, it can be said that this research not only answers the research problem but also provides a richer theoretical contribution to understanding the relationship between competencies, HR planning, and the performance gap in the public sector.

However, it is worth noting that the success of this approach is highly dependent on the organization's internal readiness, particularly regarding work culture, visionary leadership, and support from personnel information systems. Barriers such as unclear competency standards, employee resistance to change, and weak data integration often prevent HR planning from remaining symbolic and failing to produce substantive change. This situation demonstrates that institutional reform and the use of information technology are no longer optional, but rather prerequisites for strengthening the quality of human resource governance. Practically, the results of this study underscore the importance of making competency-based human resource planning the primary foundation for human resource management reform so that the Cikalong Village cooperative in Pangandaran can move toward a more responsive, innovative public service model that is truly capable of meeting community demands.

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