

INFLUENCE OF MANAGERIAL STAFF FOR THE COMPETENCE OF THE ENTERPRISES

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Abstract:

Contemporary enterprises, functioning in the ever-changing environment, must have competencies which enable them to promptly respond to fresh challenges. The conducted empirical research was intended, among others, to assess the level of competencies of managers as well as organisational competencies of innovative enterprises, i.e. those implementing innovations. 161 Polish enterprises which employ at least 10 people and implemented at least one innovation last year were subject to research. This paper presents the analysis of the respondents' opinions about the competencies of managers and organisational competencies. The analysis of the Pearson correlation proves that the managerial competencies of the primary importance include: knowledge of management, strategic management and innovation management. A certain competence gap is clearly visible here. It is necessary to focus, in the surveyed enterprises, on creative thinking about the future, making the enterprise more modern and more flexible - strategic management, appropriate innovation management, change management and wider use of information technologies, which would vastly increase organisational competencies.

Keywords: innovative enterprise, managerial competence, the competence of the organization

1. INTRODUCTION

In the dynamically changing world contemporary enterprises must quickly react to arising challenges in order to comply with market requirements. They are constantly in search of permanent competitive advantage. The enterprise success more and more depends on whether it demonstrates adequate competencies.

The term "competence" is used in different senses. The multiplicity of its interpretations results from a large number of entities the term refers to, e.g. managers, human resources, organisations, as well as various sources of interest in this issue which are related to strategic management, quality management and human resources management. The introduction of the concept of core competencies by C.K. Prahalad and G. Hamel (Prahalad, Hamel, 1990, pp. 79-91) made managers conscious of the fact if they want to retain competitive advantage, they must identify and develop their own specific key competencies (Scarbrough, 1998, pp. 219-232).

2. MANAGERIAL COMPETENCIES

The notion of competence was introduced in the 1970s by D. McClelland who claimed that "only on the basis of competencies it is possible to properly determine future results of work and foresee professional success" (Orlińska-Gondor, 2006, p.169).

Literature of the subject offers numerous definitions of competence. For example, according to some of them, competencies:

- signify an integrated use of abilities, personal traits, the acquired knowledge and skills to successfully accomplish the objective established by the enterprise (Levy-Leboyer, 1997, p.19),
- mean the range of activities, rights and responsibilities assigned to the employee in connection with localisation of his/her post in the hierarchical structure of the organisation as well as the type of his/her duties carried out in the organisation, e.g. project management (Listwan, 2005, p. 63),
- embrace motives, personality traits, cognitive faculties and skills, knowledge and interpersonal skills (Rakowska & Sitko-Lutek, 2000, p. 32),
- mean inner characterisation of the entity which is responsible for his/her method of operation, i.e. his/her innate and acquired resources (Padzik, 2013, p.49),
- denote predispositions connected with knowledge, skills and attitudes which allow one to fulfil professional tasks at an appropriate level (Filipowicz, 2014, p. 46).

There are basically two main approaches to the understanding of employees' competencies: the behavioural approach, considered from the angle of employees' behaviour, and the static approach, described as the employee's ability to carry out work indispensable for a given position (Jabłoński, 2009, p. 84).

The scope and diversity of competencies require their proper systematization and inclusion in certain categories. The Universal Model of Competencies, put forward by G. Filipowicz ((Filipowicz, 2014, pp.93-94), can be presented here. This Model consists of:

- social competencies - they influence the quality of those tasks which require contacts with people who can affect the functioning of the organisation;
- personal competencies - they are connected with the employee's fulfilling his/her tasks; they influence the general quality of performed tasks as well as determine the quickness, adequacy and reliability of undertaken action;
- managerial competencies - they are related to the management of employees; they concern both soft areas of management, work organisation and strategic aspects of management; their level determines the efficient management of others;
- professional competencies - they are connected with specialist tasks for a given group of positions; they often refer to specific branches of knowledge (e.g. legal or financial) or skills (e.g. service of specific IT systems); their level influences the effectiveness of the performance of those tasks which are connected with the specificity of a profession, position or function.

The consistency of competencies in a given group means that the development of one competence influences another one. Consequently, one may talk about a peculiar effect of synergy. Employees'

competencies, in particular those of managers, exert crucial influence on the level of organisational competencies.

3. ORGANISATIONAL COMPETENCIES

Just as in the case of the employee's competencies, the concept of "organisational competencies" is defined in various ways. Generally speaking, competencies can be understood as skills of developing, coordinating and applying the possessed resources in order to carry out tasks and achieve the company's objectives (Amit & Schoemaker, 1993, pp. 33-46). In the published literature of the subject there are two dominating approaches to the analysis and description of competencies in the organisation.

The first approach treats organisational competencies in the context of employees' competencies. Individual competencies of staff members build labour potential. Individual labour potential of the employee comprises his/her knowledge, skills (the so-called hard competencies) as well as personality traits, predispositions, motivation and social roles (the so-called soft competencies) (Olczak, Kołodziejczyk-Olczak, 2006, pp.145-146). Consequently, the competence potential of the organisation constitutes the product of individual labour potentials expressed by a number of employees and individual time of work (Sitko-Lutek, 2007, s.13).

The second, broader approach concerns competitive advantage of the enterprise on the market, focusing especially on organisational competencies. Organisational competencies include such elements as: unique, specific knowledge, experience and organisational skills which were formed by the organisation and thanks to which the company has achieved competitive advantage. Often organisational competencies provide a basis for formulating a future strategy.

This approach is connected with works on the significance of competencies, reflected by a dynamic development of the research approach called the competence based perspective. The supporters of this approach concentrate, above all, on the analysis of the inner side of the enterprise, trying to find the sources of competitive advantage. They stress the heterogeneousness of the organisation's components and find the possibility to gain competitive advantage in a unique composition of resources and skills which enable to gain regular income on the basis of the displayed competencies (Wernerfelt, 1984, No. 5).

The competence based perspective embraces a number of theoretical models which demonstrate the importance of competencies for achieving and maintaining advantage over competitors (Escrig-Tena & Bou-Llugar, 2005, No. 2). Competencies of the organisation should include the following components:

- organisational ones, i.e. those concerning coordination and distribution of resources;
- intentional ones - they are to lead to well-thought-out actions for ensuring the coordinated distribution of resources;
- deliberate ones - coordination of resources must be used to achieve goals of the enterprise (Sanchez, Heene & Thomas, 1996, p.78).

M. Bratnicki distinguishes the notion of "abilities", which he ascribes to particular individuals and the concept of "competencies", which refers to the level of the whole organisation. In his opinion, competencies consist in integrating knowledge (abilities of individuals and resources) to attain a certain aim. Thus understood competencies are in fact capabilities of those who manage the organisation and have influence on the most important decisions. They are skills to obtain adequate resources, including people, and their proper use so as to pursue the adopted strategy (Bratnicki, 2000, p. 13).

A special place is assumed by key competencies, described as collective knowledge and abilities which are gathered in a given organisation; they are the main determinants of the organisation's competitiveness on account of:

- their importance for creating value for the client,
- difficulty in their copying,
- possibility to use them in a new company (Prahalad, Hamel, 1990, p. 90).

From the point of view of strategic management, key competencies are based on valuable, rare and inimitable resources of the organisation. A particular emphasis is laid on organisational knowledge which constitutes a distinctive strategic resource. Therefore, it can be stated that key competencies include all the assets specific for the organisation, knowledge, skills and abilities placed in the structure of the organisation, technology, processes and interpersonal and intergroup relations.

4. RESEARCH METHODS

The conducted empirical research was intended, among others, to assess the level of competencies of managers as well as organisational competencies of innovative enterprises. 161 Polish enterprises which employ at least 10 people and implemented at least one innovation last year were subject to research. The structure of the research sample is as follows:

- According to the criterion of size:
 - 70% - enterprises employing from 10 to 49 workers;
 - 15% - enterprises employing from 50 to 100 workers;
 - 9% - enterprises employing from 101 to 249 workers;
 - 3% enterprises with at least 250 employees;
 - In 4% questionnaires no data on the number of employees was entered.
- According to the type of business:
 - commerce and services - 60%;
 - production - 24%;
 - construction - 15%;
 - 1% of the respondents did not provide data on the kind of business they conduct.

For the sake of the undertaken research a special survey questionnaire was drawn up in which the respondents were asked to express their opinion on, for example, a level of competencies of managers and the enterprise. In the above-mentioned research tool a five-grade scale of assessment was applied: "1" means a deep disagreement with the presented opinion whereas "5" - an absolute agreement with the statement being evaluated.

4.1. Competencies of managers

The respondents were asked to assess the level of competencies of managers. The outcomes are presented in Table 1.

Table 1: Competencies of managers according to the respondents

Competencies in	Average grade
1. learning and developing	4,16
2. resolving problems creatively	4,14
3. interpersonal skills	4,11
4. motivating	4,08
5. communicating effectively	4,19
6. working in a team	4,26
7. project management	4,10
8. change management	4,03
9. innovation management	3,99
10. information resource management	4,10
11. specialist knowledge	4,36
12. knowledge of management	4,11
13. strategic management	4,04
14. thinking and taking actions	4,34

Source: own elaboration.

Generally, it can be said that competencies of managers were assessed as good. The level of competencies in specialist knowledge (4,36), thinking and taking action (4,34) and working in a team (4,26) were definitely evaluated the highest. It can be thus stated that managers are theoretically prepared to carry out their fundamental tasks.

However, it seems alarming that relatively the lowest grades were given to competencies in innovation management (3,99), change management (4,03) and strategic management (4,04). Taking into

consideration the fact that in the conditions of the dynamically changing world it is essential to react quickly to the market needs, the improvement in the level of these competencies appears desirable.

4.2. Organisational competencies

Organisational competencies were studied more extensively than competencies of managers. The respondents were asked to assess the level of organisational competencies. The way in which employees perceive organisational competencies seems interesting. The results of research are presented in Table 2.

Table 2: Organisational competencies according to the respondents

Competencies in	Average grade
1. management	3,99
2. finances	3,94
3. personnel policy	3,89
4. use of IT	3,64
5. use of technology	3,84
6. marketing activities	3,80
7. innovations	3,75
8. logistics	3,89
9. supply	3,88
10. after-sale service	3,76
11. relationships with the environment	4,03

Source: own elaboration.

The competencies of the enterprises under examination were assessed positively by the respondents but slightly lower than the competencies of managers. Definitely, the competence in relationships with the environment was assessed the best (4,03). A slightly worse result, yet still relatively good, was obtained by the enterprises for management (3,99). According to the managerial staff, the surveyed enterprises have also relatively good competencies in finances (3,94). Thus it can be stated that the respondents relatively well evaluated the enterprises' competencies in their correct functioning at an operational level. The fact that the respondents recognize the necessity to maintain proper relations with the environment is important too.

Yet, the competencies of the surveyed enterprises do not enable them to sufficiently quickly react to changes. The respondents claimed that the surveyed enterprises had relatively the weakest competencies in using IT (3,69) and after-sale services (3,76).

4.3. Correlations between the competencies of employees and organisational competencies

Further works included the analysis of the Pearson correlation between the competencies of managers and organisational competencies. The summary of the results is presented in Table 3.

Table 3: Two-tailed Pearson correlation between the competencies of managers and competencies of the organisation

Organisational competencies in	management	finances	personnel policy	use of IT	use of technology	marketing activities	innovations	logistics	supply	after-sale service	relationships with the environment
learning and developing	,433**	,438**	,447**	,314**	,419**	,531**	,474**	,303**	,402**	,203**	,478**
resolving problems creatively	,373**	,380**	,384**	,296**	,504**	,349**	,361**	,256**	,353**	,199**	,553**
interpersonal skills	,505**	,558**	,674**	,384**	,440**	,546**	,512**	,387**	,424**	,291**	,528**
motivating	,382**	,410**	,393**	,253**	,366**	,334**	,458**	,313**	,330**	,346**	,508**
communicating effectively	,304**	,391**	,535**	,088	,292**	,381**	,401**	,330**	,387**	,318**	,499**
working in a team	,474**	,392**	,491**	,268**	,460**	,447**	,504**	,400**	,447**	,381**	,584**
project management	,332**	,421**	,218**	,389**	,434**	,443**	,417**	,348**	,285**	,377**	,279**
change management	,415**	,381**	,424**	,275**	,327**	,288**	,376**	,198	,253**	,235**	,454**
innovation management	,405**	,433**	,454**	,298**	,429**	,487**	,534**	,457**	,457**	,424**	,457**
information resource management	,423**	,390**	,399**	,301**	,355**	,450**	,481**	,349**	,292**	,415**	,517**
specialist knowledge	,451**	,379**	,447**	,417**	,490**	,382**	,471**	,417**	,375**	,374**	,524**
knowledge of management	,640**	,661**	,485**	,417**	,478**	,634**	,575**	,474**	,407**	,423**	,446**
strategic management	,553**	,577**	,451**	,541**	,469**	,513**	,606**	,324**	,278**	,387**	,304**
thinking and taking actions	,528**	,464**	,424**	,364**	,467**	,460**	,461**	,303**	,354**	,242**	,566**

** The correlation is significant at the level of 0.01 (two-tailed).

Source: own elaboration.

As it results from the outcomes presented in Table 3, almost all the competencies, both managerial and organisational ones, are correlated with one another at the statistically significant level. Definitely, the knowledge of management is the most strongly correlated with all the areas of organisational competencies because this competence is the most strongly correlated with four areas of organisational competencies (management, finances, marketing and logistics). The respondents also drew attention to the significance of managers' competence in innovation management and strategic management.

5. CONCLUSIONS

Contemporary enterprises, functioning in the ever-changing environment, must have competencies which enable them to promptly respond to fresh challenges. The subject of the conducted research were innovative enterprises, i.e. those implementing innovations. This paper presents the analysis of the respondents' opinions about the competencies of managers and organisational competencies. It should be emphasised that, in the case of the competencies of managers, the respondents drew attention to their relatively high competencies in specialist knowledge and operational management skills. What seems disturbing, though, is the fact that relatively the lowest grades were given to competencies in thinking about the future (strategic management) and flexible functioning of the organisation (change management and innovation management).

Similar conclusions can be reached while analysing organisational competencies. The average assessment of the level of organisational competencies, although substantially lower than in the case

of competencies of managers, was also positive. The fact that competencies in relationships with the environment were relatively the best evaluated provides the grounds for optimism. Competencies in management at an operational level were positively assessed too. Regrettably, competencies in using modern information technology (IT) or change management and innovation management were much more critically assessed. Besides, the employees pointed out relatively low competencies in marketing and logistics.

The analysis of the Pearson correlation proves that the managerial competencies of the primary importance include: knowledge of management, strategic management and innovation management. A certain competence gap is clearly visible here.

Summing up, undoubtedly it is necessary to focus, in the surveyed enterprises, on creative thinking about the future, making the enterprise more modern and more flexible - strategic management, appropriate innovation management, change management and wider use of information technologies, which would vastly increase organisational competencies.

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