Management by Competencies
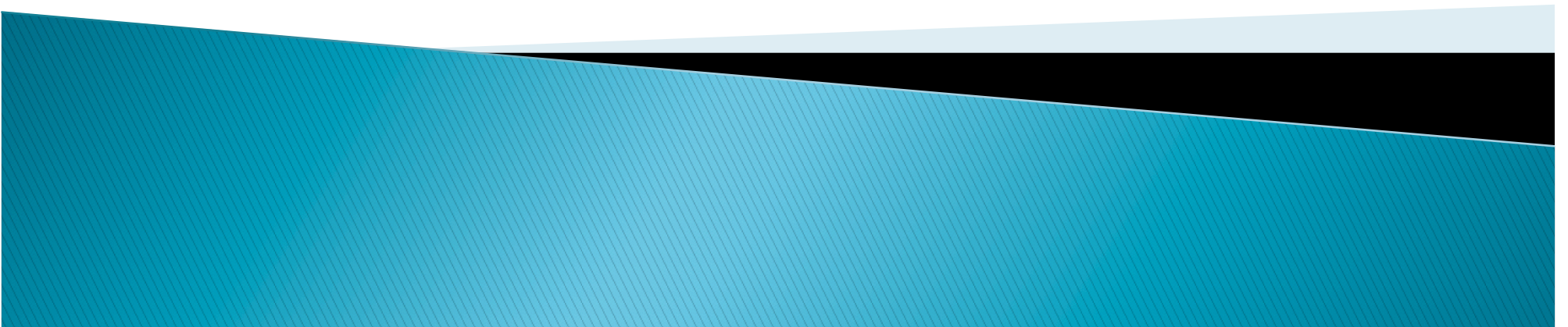
Introduction

Agenda

- Course organization
- Motivation and Goals
- Introduction to Management by Competencies (MbC)

Course organization

- Course schema
  - one hour lecture a week
  - one hour seminar in two weeks -> split into two major groups via IS.MUNI.CZ
- Lectures
  - focused on theory
- Seminars
  - focused on practical issues and training
- Course Project
  - focused on team collaboration and complex application of theoretical concepts

Course motivation

▸ Why is management important?

▸ The role of management in IT

▸ Management as a part of SSME

Course goals

- To introduce main aspects, which causes problems in company management
- To introduce methods and tools for identification and elimination of such problems
- You will be able
  - to understand management processes
  - to understand enterprise organization

Course resources

Management by Competencies

J. Plamínek, R. Fišer – Czech only

Leading of people, teams, and companies
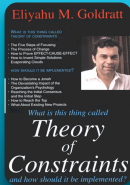
J. Plamínek – Czech only

Problem solving and decision making
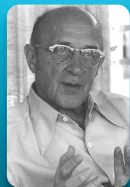
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Course and MbC resources

Synergistic management
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Theory of Constraints
Elyiahu M. Goldratt

Learning organization concept
P. Senge

Client oriented approach
C. Rogers

What is management?

- Management is a process of achieving desired or given goals and objectives by means of other people
- Human activities can be managed in many contexts
  - projects by project managers
  - abilities and knowledge development by human resources managers
  - company by company leaders
  - their lives by themselves
  - ...

MbC motivation

- **Successful company**
  - company which achieve its business goals
- **Sustainably successful company**
  - company where attaining of current goals does not diminish the chance to achieve its goals in the future
  - i.e. vital company
- MbC is designed to help companies to achieve vitality

MbC Presumptions and Principles

- Every success or failure of any company corresponds to the competencies of people responsible for company performance
- In MbC, problems are analyzed to reveal unsatisfactory or completely missing competencies
- In achieving vitality of company, people are the only critical aspect

What is MbC?

- Company management approach based on harmonical development of **the world of requirements** and **the world of possibilities**
- Controls and regulates duality of these worlds to achieve **synergistic effect**
  - Requirements have to fit to current possibilities
  - Possibilities have to be developed to be ready to meet requirements of the future

Two elements of Vitality
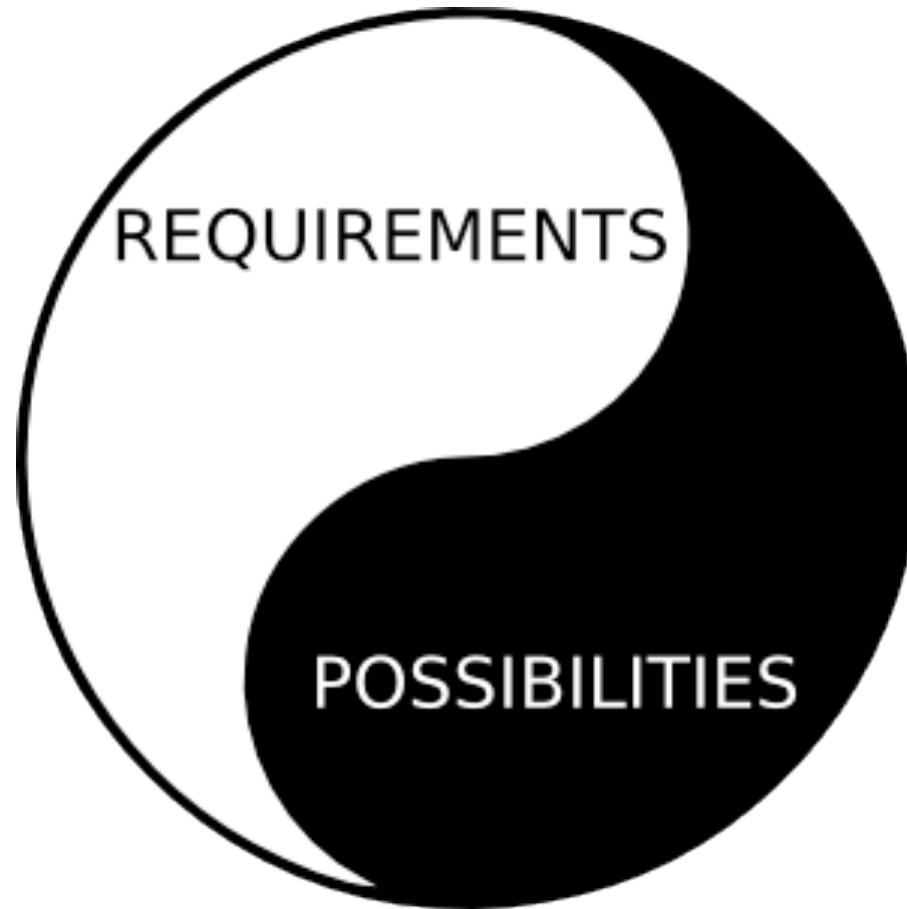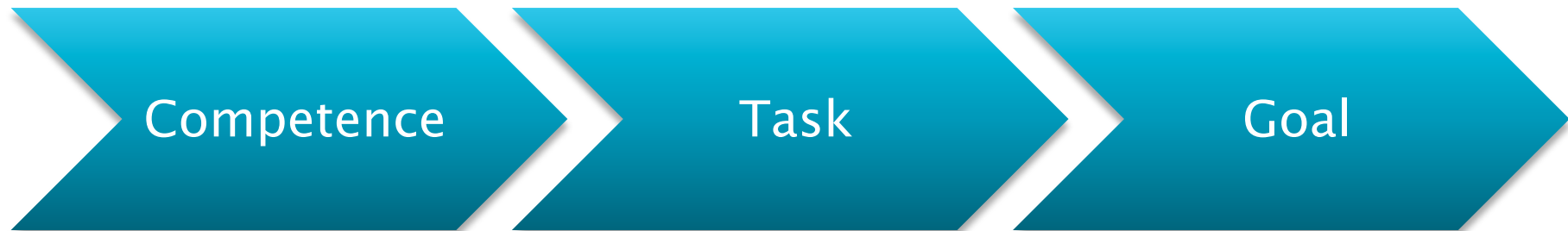

vitality = possibilities + requirements

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Semaphore of vitality

WANT > CAN **Crisis**

WANT = CAN **Equilibrium**

WANT < CAN **Stability**

What is competence?

- **Competence** of a person is sum of
  - ◦ job performance, i.e. human labor, and
  - ◦ potential, i.e. human resources
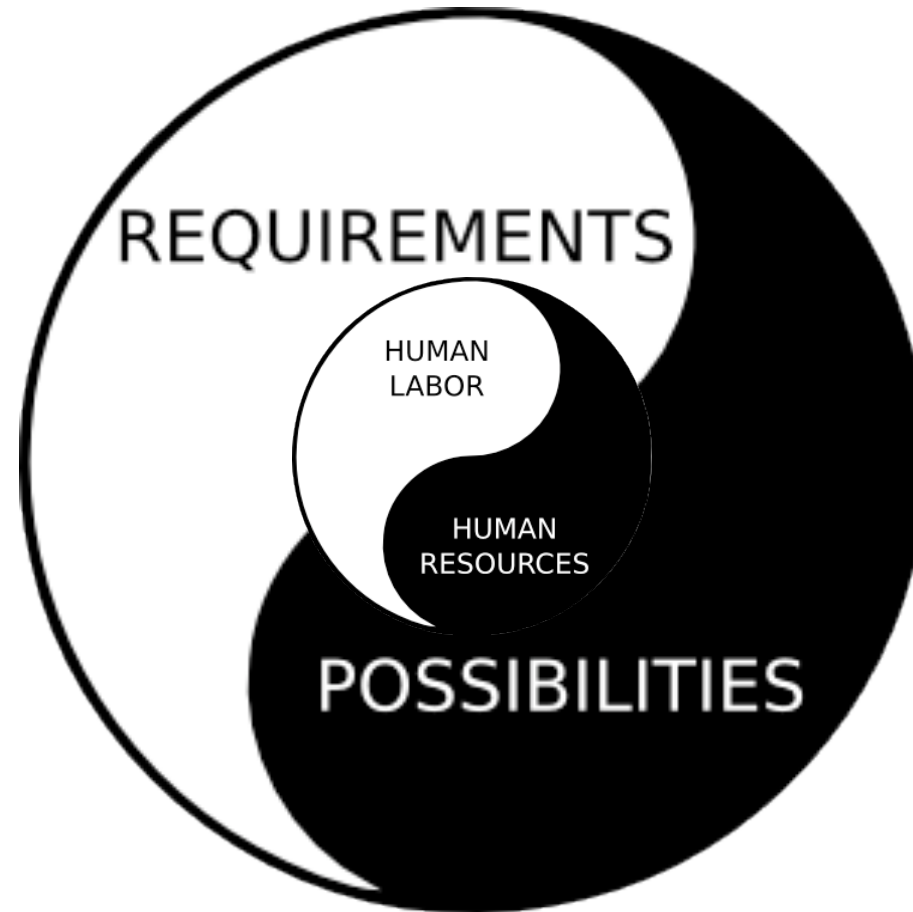- Competence ought to be always contemplated in the context of certain task to be performed

Competence	Task	Goal

Two elements of Competence

HUMAN LABOR

HUMAN RESOURCES

competence= resources + labor

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Vitality and Competence

level of vitality ~ set of competencies

The role of Competence

REQUIREMENTS

goal

task

competence

potential

POSSIBILITIES
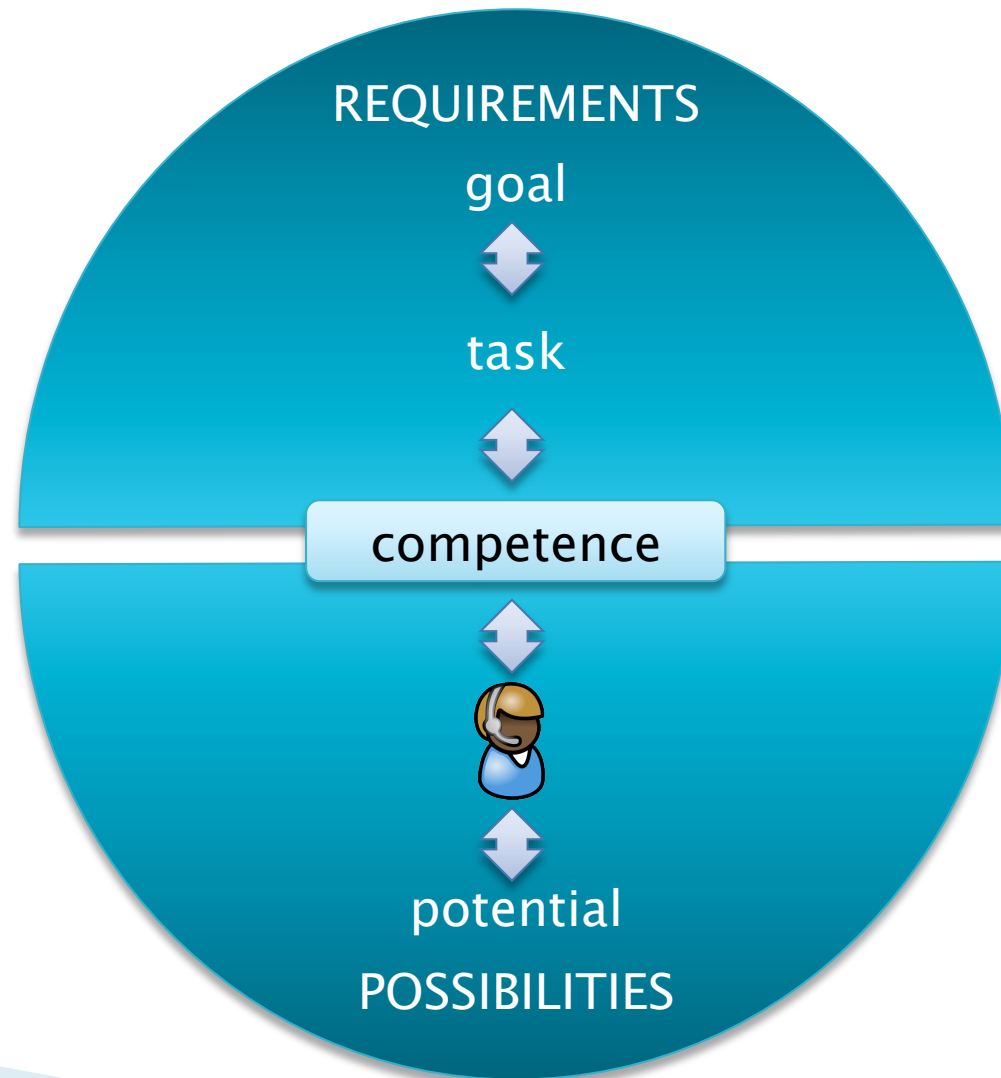
Company culture

- ▶ Why are there companies with more than 1 person?
- ▶ **Company culture** is the set of relationships between key factors essential for the company
- ▶ Examples of factors
  - ◦ interpersonal relationships, work environment, vision clarity, leader authority, organizational structure, level of formality, benefits, work/life balance
- ▶ $r_{12} = k_{12}(f_1 + f_2)$, $k_{12} > 0$
  - ◦ $k_{12} < 1$: conflict relationship
  - ◦ $k_{12} = 1$: neutral relationship
  - ◦ $k_{12} > 1$: synergic relationship

Company culture management

▶ Synergistic Company Culture
  ◦ Companies driven by people
  ◦ Companies driven by thoughts
▶ Chaotic Company Culture
  ◦ absence of factors binding people together
  ◦ results in neutral or conflict environment
▶ Company culture management
  ◦ aquarium metaphor
  ◦ from companies driven by people to companies driven by thoughts

Summary

- Course organization
- Management
- Management by Competencies
- Vitality
  - Duality of the worlds of requirements and possibilities
- Competence
  - Duality of human labor and human resources
- Company culture