Management by Competencies
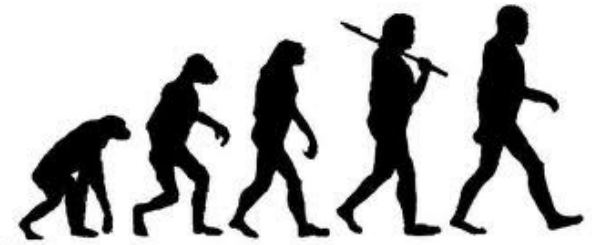
Introduction

Agenda
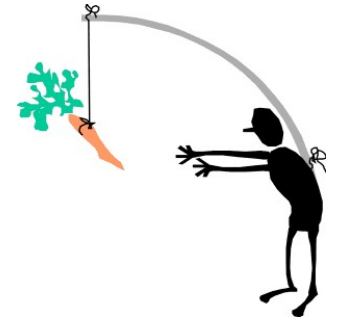
- Course Introduction
  - origin
  - motivation and goals
  - resources
- Management by Competencies Introduction
- Vitality and Competence
- Company Culture

Course context and origin

- Originally being developed for the SSME study program
  - ◦ this run is the third one
- Based on
  - ◦ existing *Management by Competences* theory and methodology by Jiří Plamínek
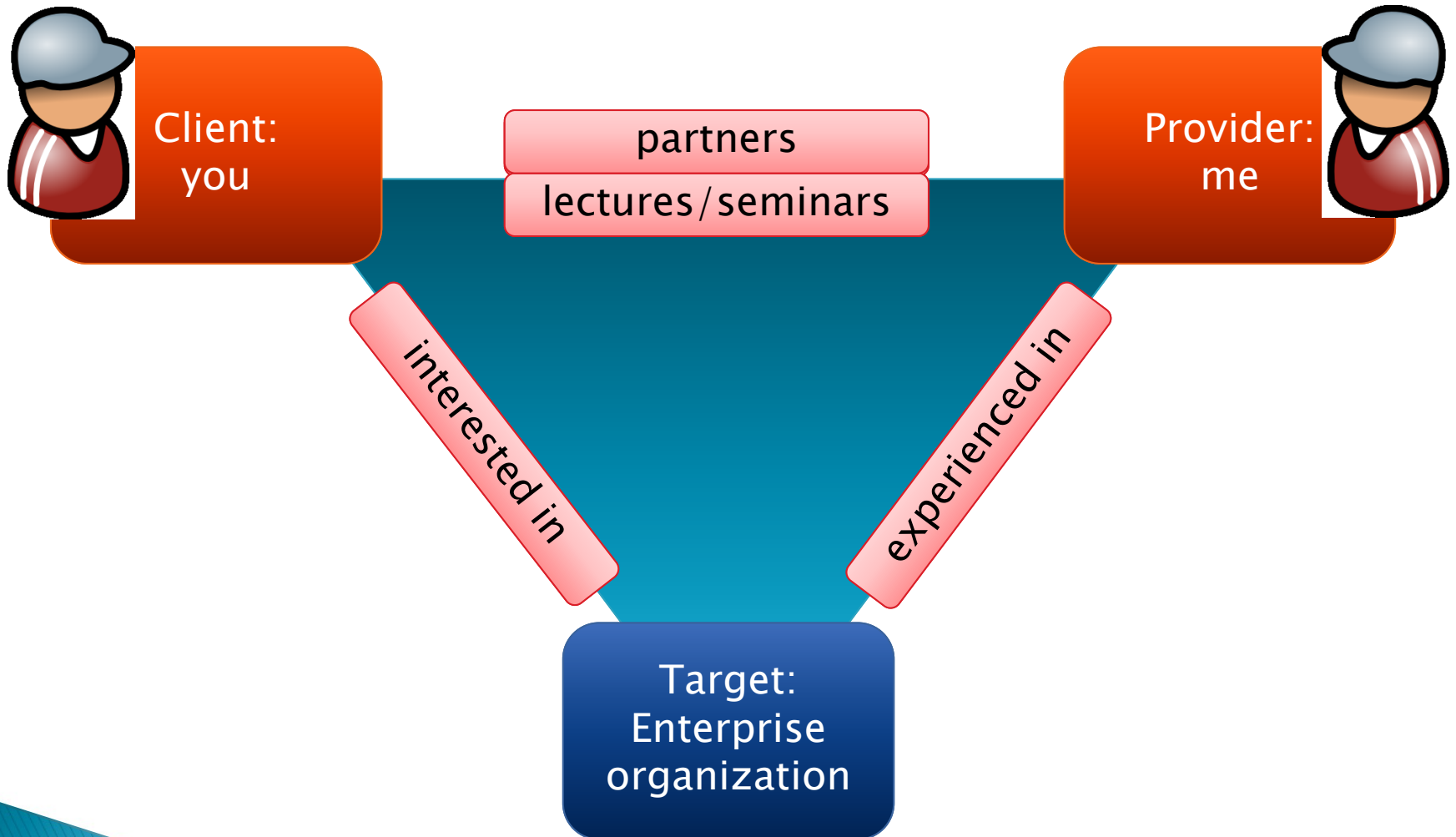 - ◦ 2 years experience of using *Management by Competencies* in practice

Course motivation

Management is always important

Management is a M part of SSME

Course as a Service

Client:
you

partners

lectures/seminars

Provider:
me

interested in

experienced in

Target:
Enterprise
organization

Course goals and value proposition

To introduce

- essence of management of sustainably successful companies
- main aspects, which cause problems in company management
- methods and tools for identification and elimination of such problems

You will understand

- enterprise organization
- management processes
- the value and structure of business model
- the value of human uniqueness

Value co-creation

Lectures	Seminars
• Theory • Examples	• Training • Discussions

2 hours per week	All together

1 hour per two weeks	Two alternating groups

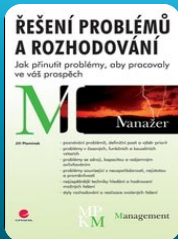"Home" works in teams

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

J. Plamínek – Czech only

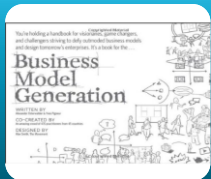# Course and MbC resources
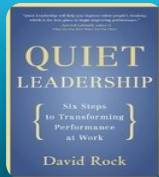
Synergistic management
J. Plamínek – Czech only

Theory of Constraints
Elyiahu M. Goldratt

Business Model Generation
A. Osterwalder & Y. Pigneur

The Quiet Leadership
D. Rock

Course Introduction
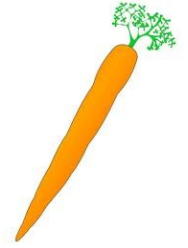
Management

Management
- is a process of achieving desired or given goals and objectives by means of other people

is

Contextual
- human activities can be managed in many contexts
  - projects by project managers
  - abilities and knowledge development by human resources managers
  - companies by company leaders
  - their lives by themselves

MbC Motivation

Successful company

- company that achieve its business goals

Sustainably successful company ~ Vital company

- company where attaining of current goals does not diminish the chance to achieve its goals in the future

MbC is designed to help companies to achieve vitality!

MbC Presumptions and Principles

Human responsibility

- Every success or failure of any company corresponds to the competencies of people responsible for company performance

Competence focus

- Problems are analyzed to reveal unsatisfactory or completely missing competencies

In achieving vitality of company, people are the only critical aspect!

MbC Essence

Problems arise when performance requirements exceeds the possibilities

- MbC interconnects world of requirements and world of possibilities to keep them in harmony

Performance assessment is based on results

- however, MbC focuses on the source of performance, i.e. competencies of people

MbC deals with problems causes, not consequences!

What is MbC?

Company management approach based on **harmonical development** of

- World of **requirements** and
- 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

Ultimate goal of MbC is to achieve vitality!

Two elements of Vitality
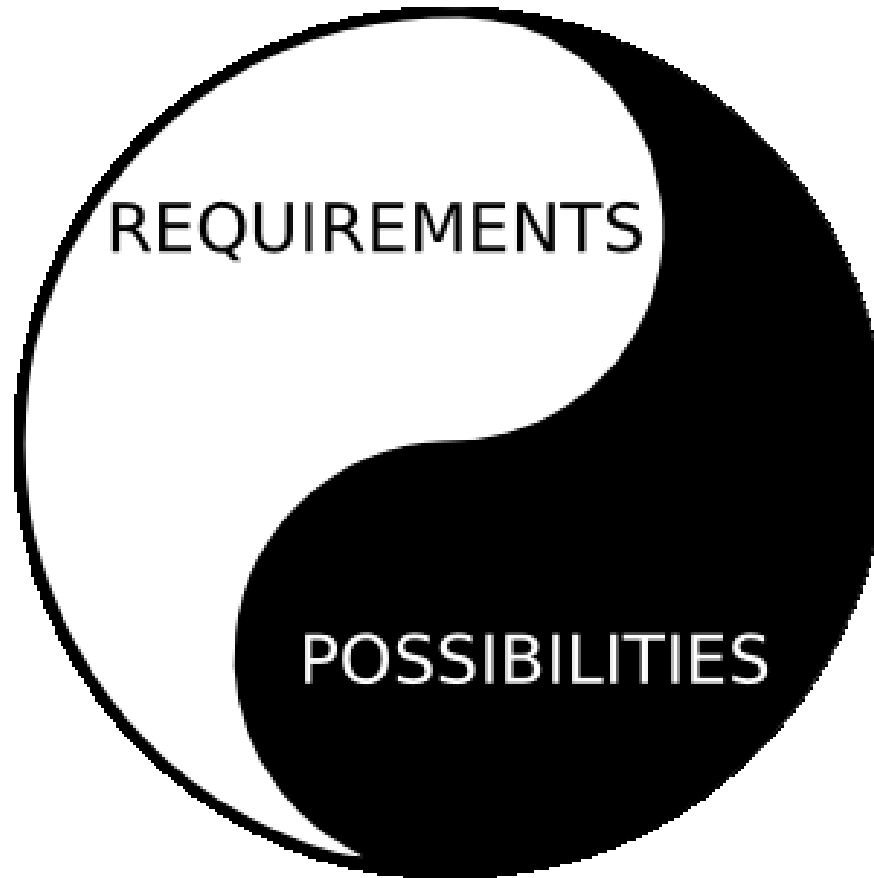
vitality = possibilities + requirements
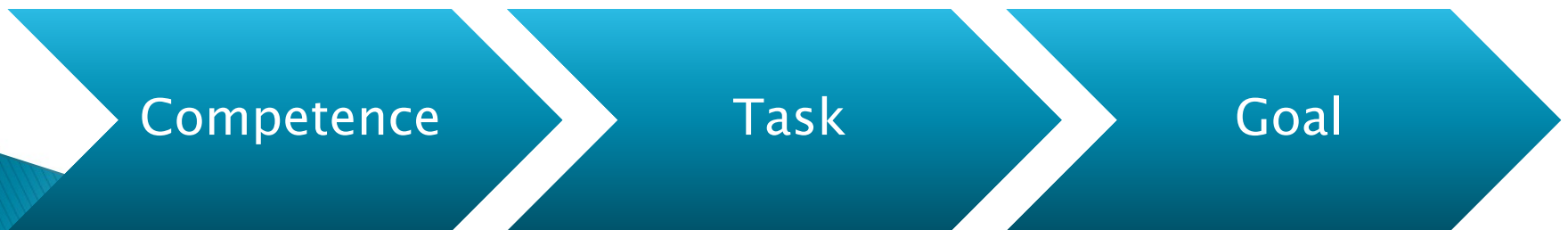
(C) J. Plamínek

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
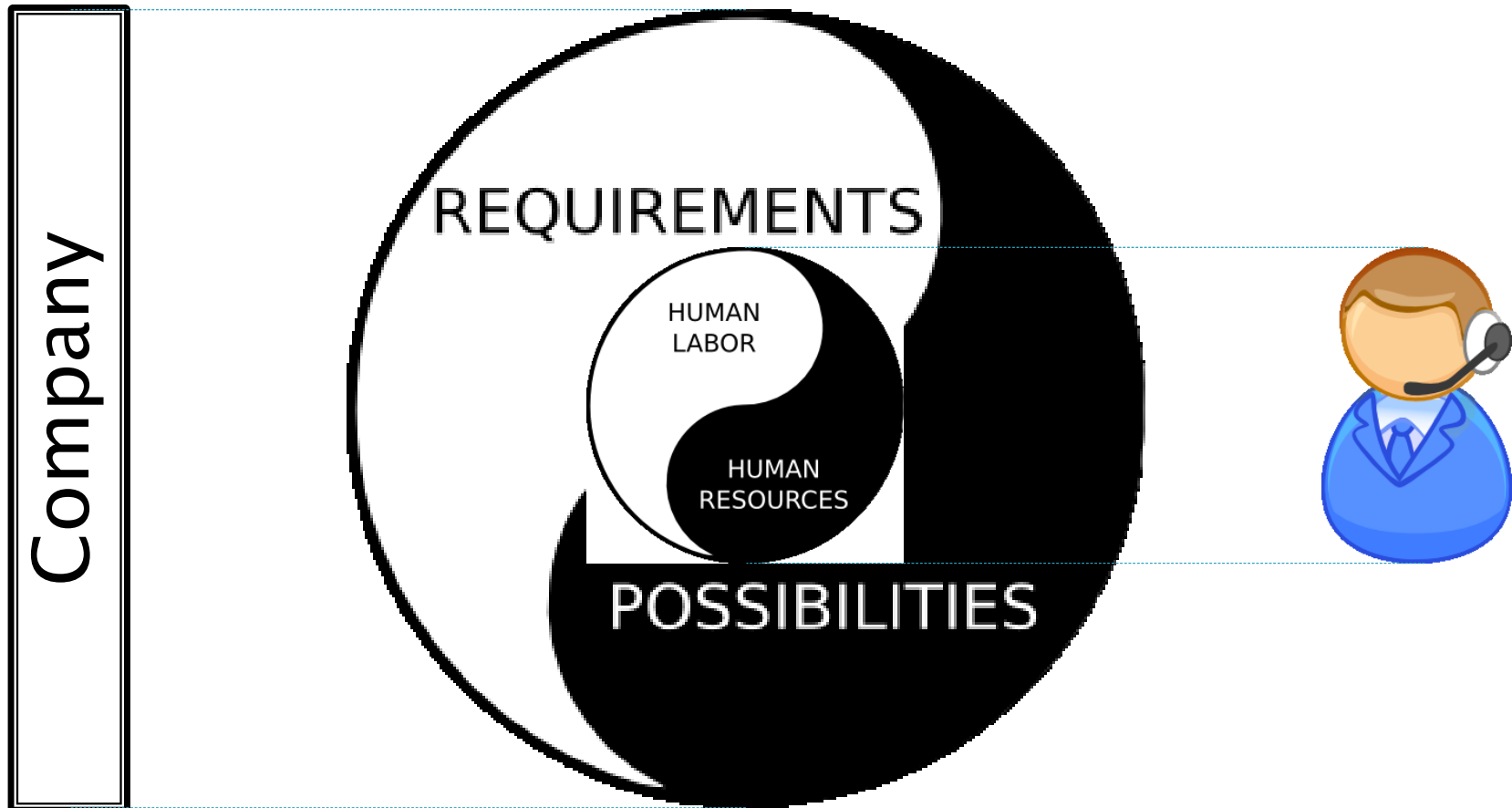- Competence ought to be always contemplated in the context of certain task to be performed

Competence	Task	Goal

Two elements of Competence

competence= resources + labor

(C) J. Plamínek

Vitality and Competence

level of vitality ~ set of competencies

The role of Competence

REQUIREMENTS

goal

task

competence

potential
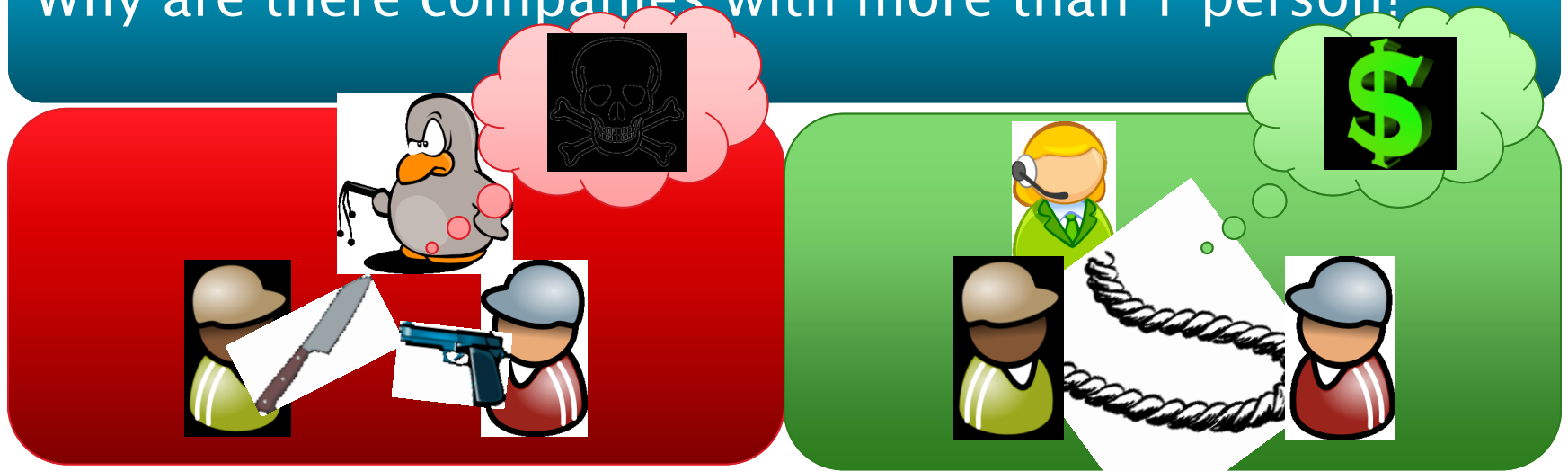
POSSIBILITIES
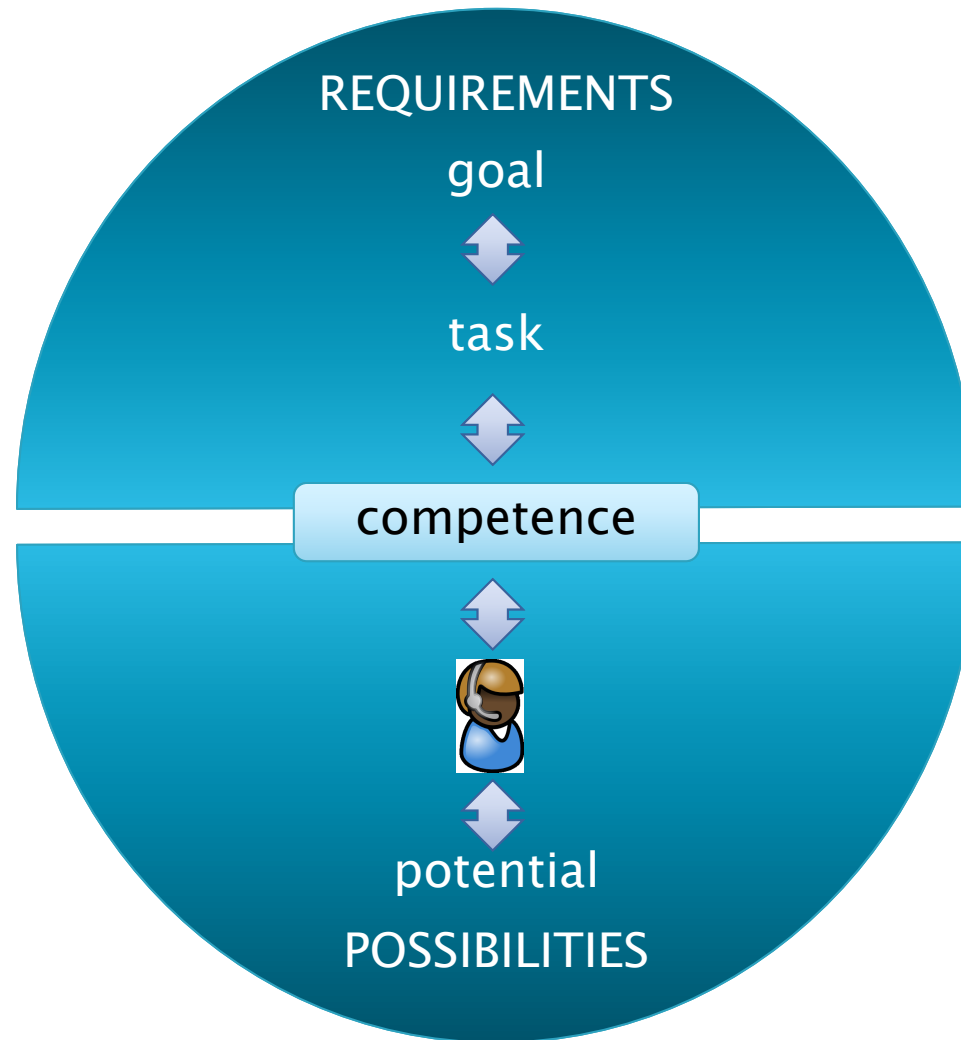
Company and Competencies
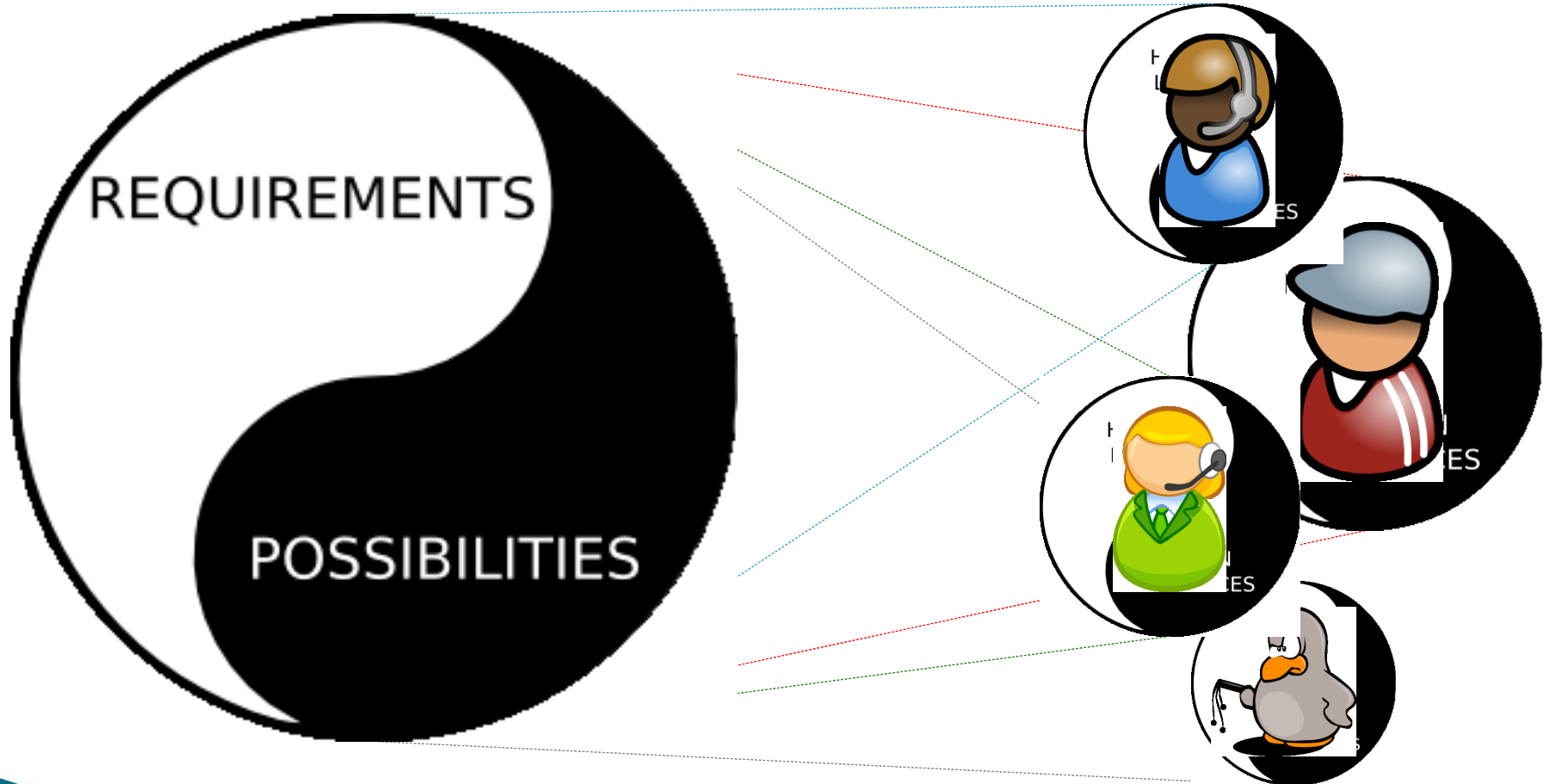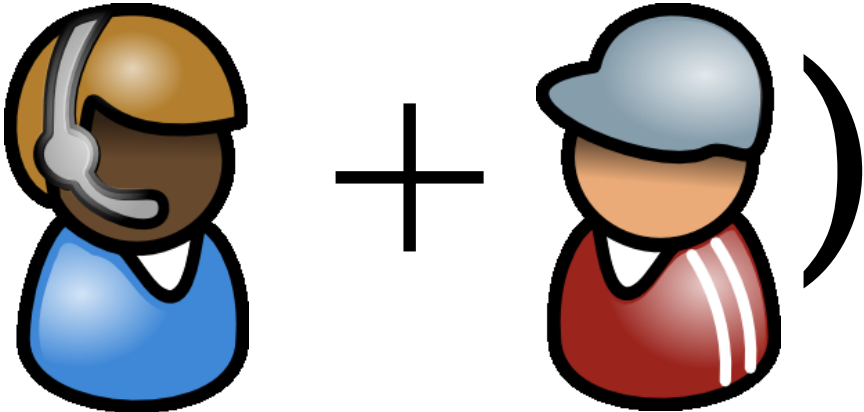

company

people and their competencies

Success and Relationships

Why are there companies with more than 1 person?

Success and vitality of a company is tightly connected with nature of relationships inside that company!
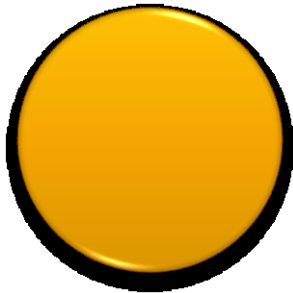
Relationship

$$c_{re}(\text{👤} + \text{👤}) = E$$

$c_{re} > 0$ ... relationship efficiency coefficient
E ... resulting effect

Types of Relationships $c_{re}(\text{👷}+\text{👷})=E$

Conflict $(c_{re}<1)$

Neutral $(c_{re}=1)$

Synergy $(c_{re}>1)$

Company culture

$$c_{re}(f_1 + f_2)=E$$

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

Company culture