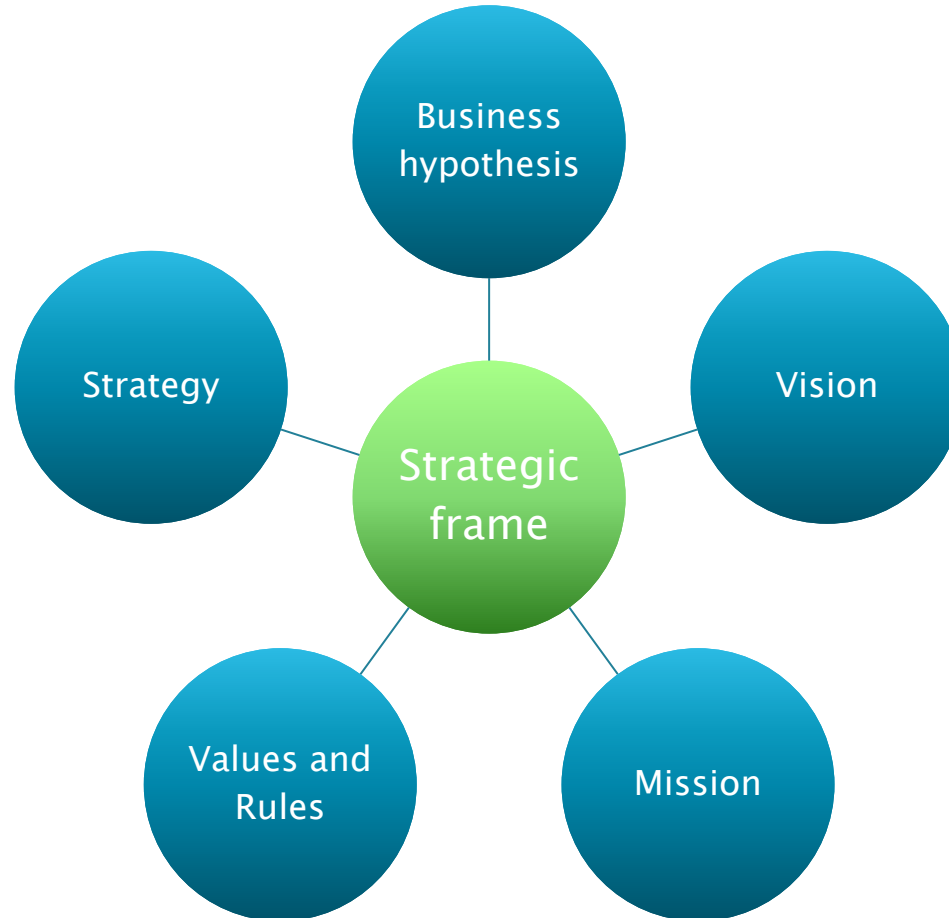


# Management by Competencies

Process management



# Previously on MbC



(C) J. Plamínek

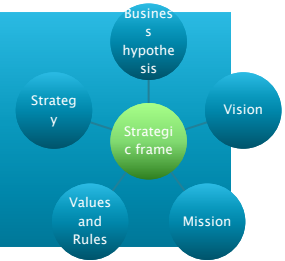
# Agenda

- ▶ Change Vector
  - Performance Indicators
- ▶ Balanced Scorecard
- ▶ Processes and Projects
- ▶ Motivation and Stimulation

# System of corporate ideas



Strategic Frame

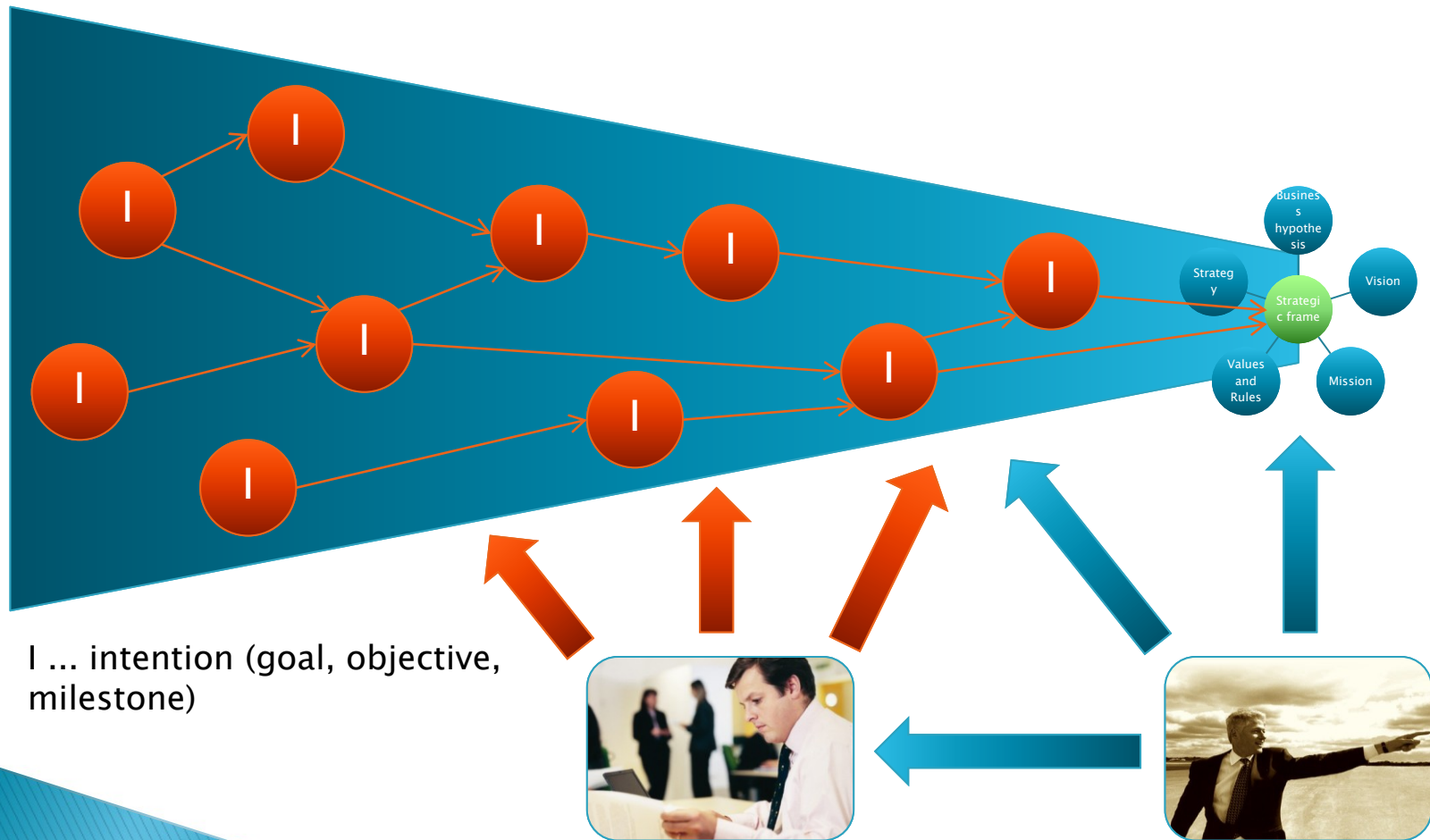


Goals & Objectives

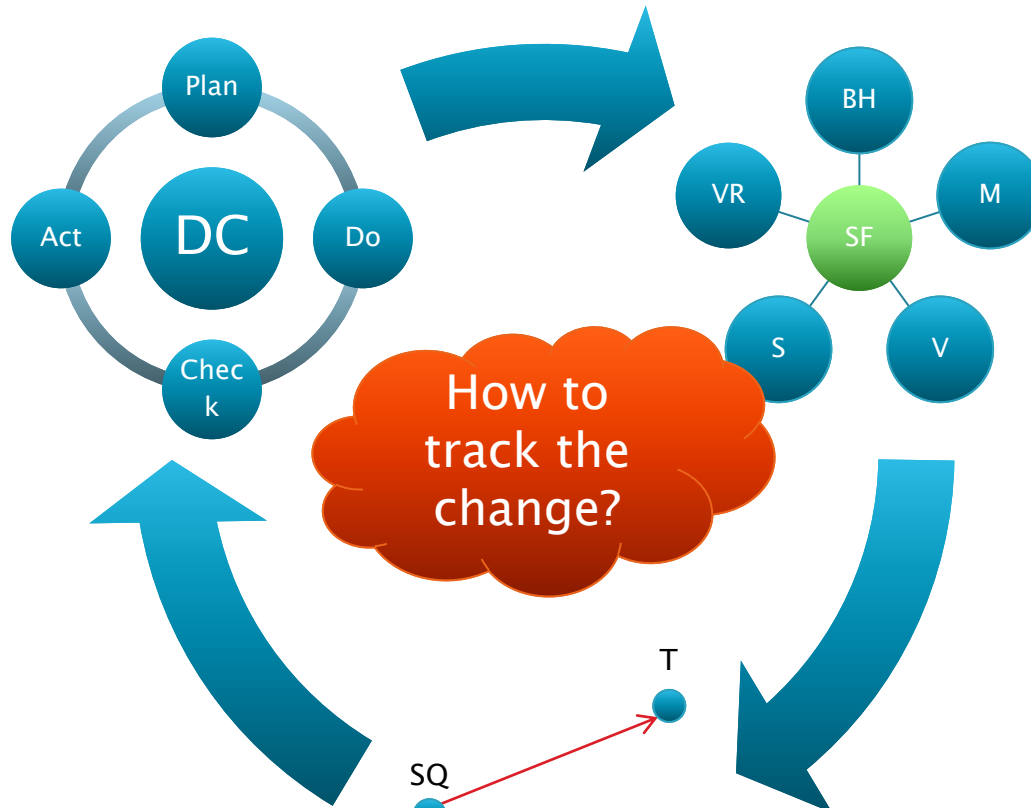


Products, Services, **Processes & Projects**, Resources, Tasks, Competencies, Feedbacks, Feedforwards, HR development, ...

# Strategic Frame from the management perspective



# Change achieving



DC...Deming Cycle

How to track the change?

Change Vector



# Definition of Performance Indicators



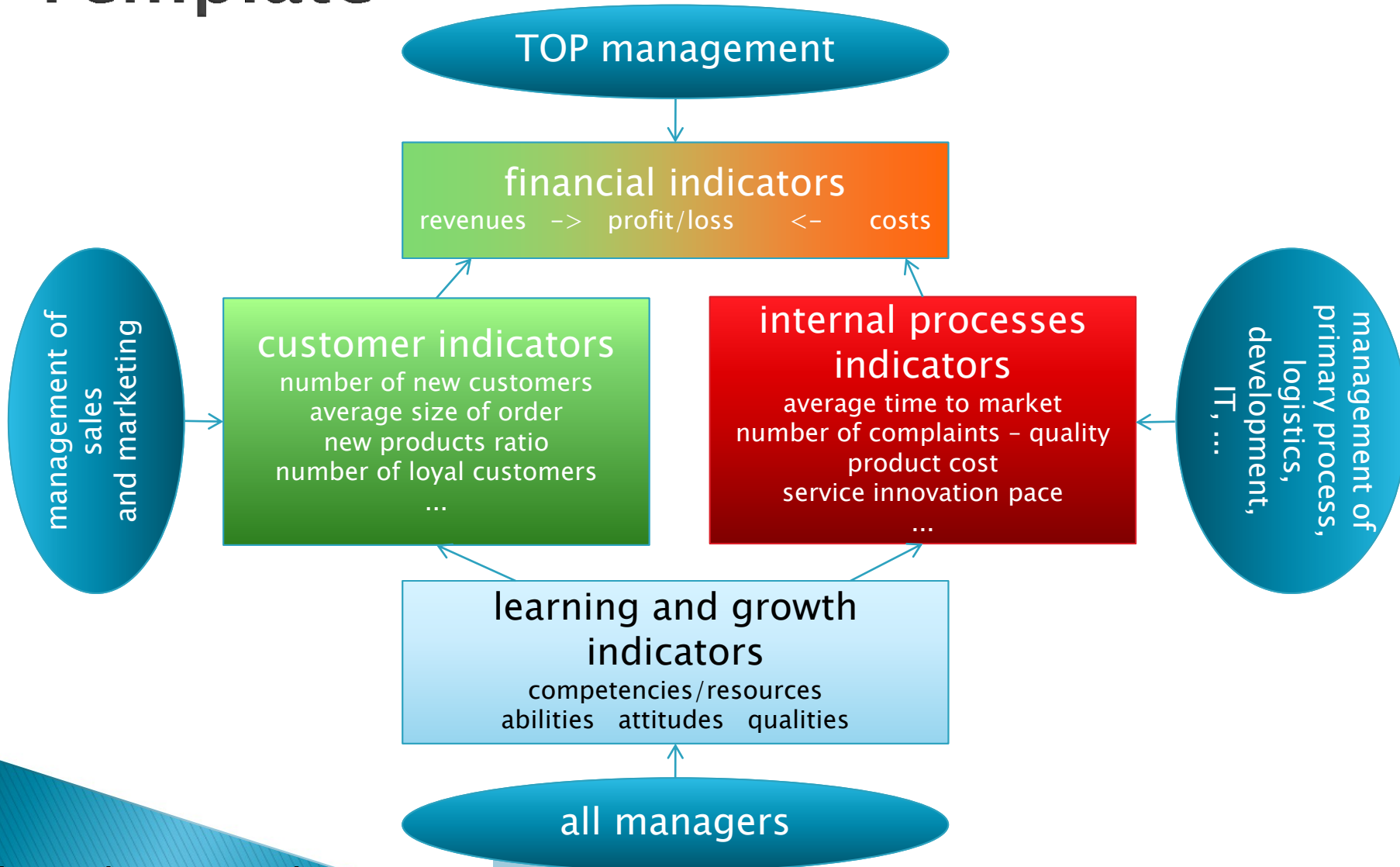
- ▶ To know WHAT to do is not enough
- ▶ It is important to know WHETHER and HOW we are doing
- ▶ Therefore MbC operates with system of indicators on every level of management
  - in accordance with development of company and people, the target values for indicators are determined that enable continuous monitoring and management of improvement
- ▶ Balanced Score Card utilization

# Balanced Score Card Motivation

- ▶ **Balanced Score Card (BSC)**
  - introduced in 1990's by Robert Kaplan and David Norton
  - reaction to popular cost-cutting projects
- ▶ **Cost-cutting Projects substantially improved cost-related financial indicators in fiscal year**
  - and consultancy companies made well getting good profit share
- ▶ **However, in next years cost-cut companies**
  - have seen a huge drop in their performance
  - loose much of their ability to react to changes (stability)
  - become less vital, i.e. able to continuously succeed
- ▶ **Therefore BSC**
  - introduced new kinds of indicators to existing ones to connect corporate strategy with all operational areas of within the enterprise



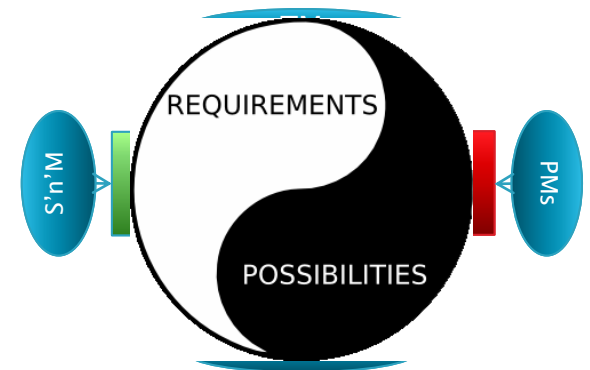
# Balanced Score Card Example Template



# Balance Score Card and MbC

Learning and grow indicator are of the big importance

- focuses on competences that employees must have to successfully fulfill financial, customer, process or others
- these indicators focus the happening in the world of possibilities whereas the others the world of requirements



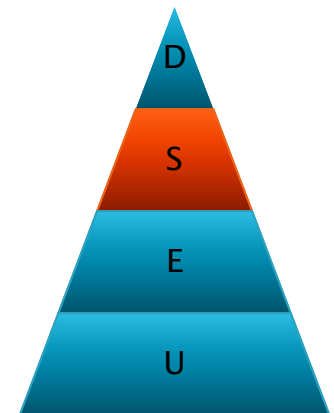
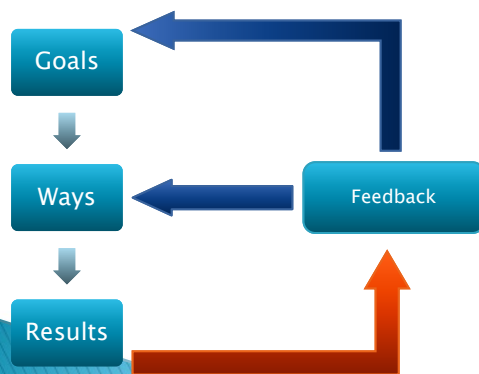
# Balance Score Card and MbC (cont'd)

- ▶ BSC is tool primarily for managers
  - but also communication mean with leaders, owners, shareholders

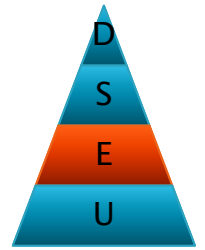


shareholders, owners, ...

- ▶ BSC may be foundation of monitoring system

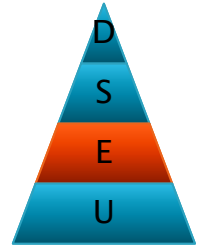


# Processes definition and management



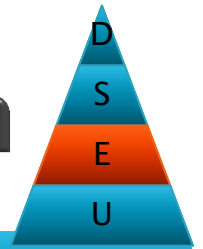
- ▶ Processes and projects
  - defined sets of procedures, activities or actions transforming inputs to outputs
- ▶ Processes
  - repeatable, easy to monitor, subject of continual improvement
  - deterministic, predictable
  - focused on outputs
- ▶ Projects
  - unique, have to be attentively planned and executed, continuously monitored and managed
  - uncertain
  - focused on impact, benefits and goals of its outputs

# Synergy of process and project management



- ▶ How can projects benefit from process management?
  - projects may involve processes; for partial design of project the process design techniques may be utilized
- ▶ How can processes benefit from project management?
  - process definition may be extended to define desired impact of process outputs; then performance indicators may be defined more appropriately

# Best practices in process design



Reasonable process specification granularity

Structure as a consequence of process specification

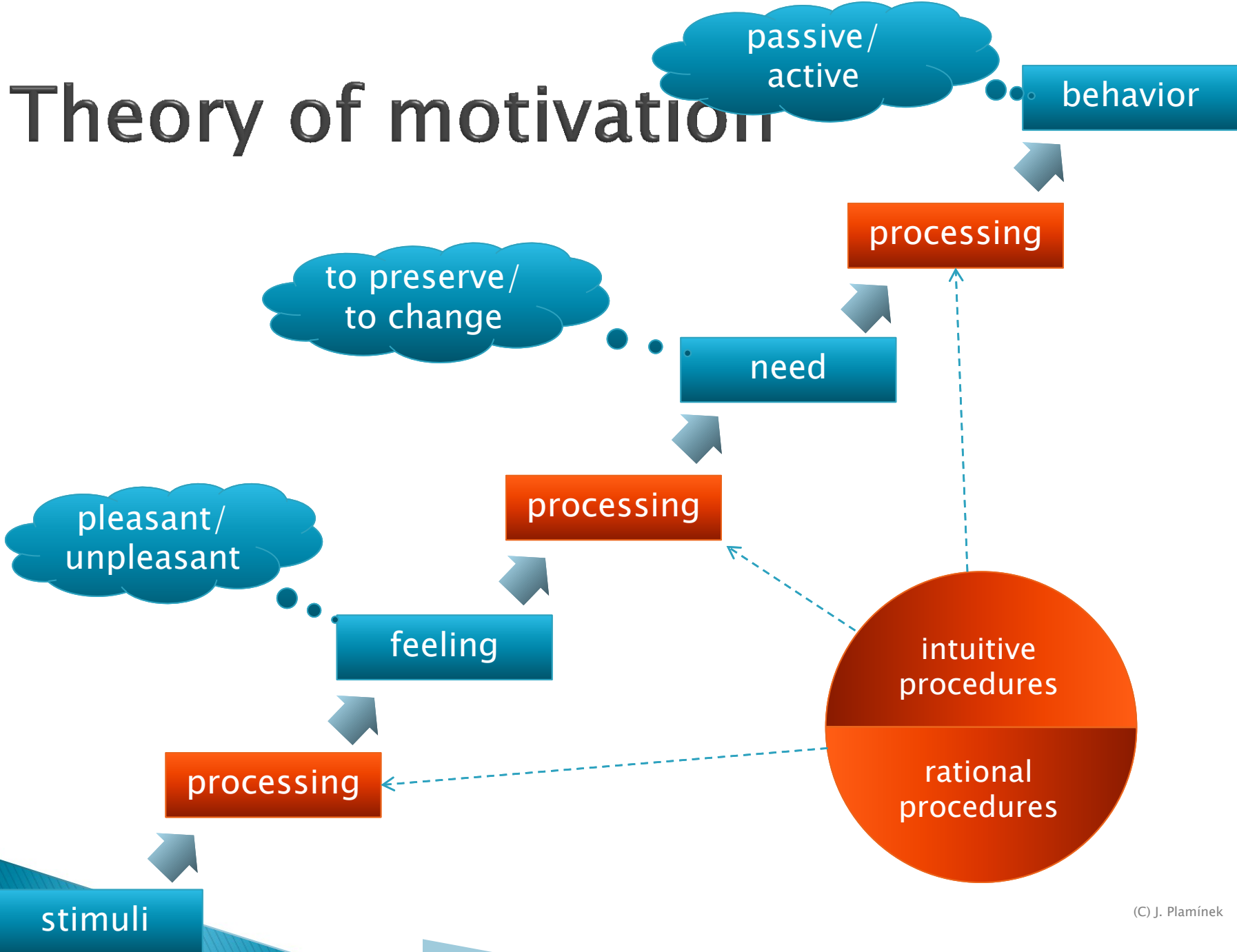
Top-down approach

Suitable tools

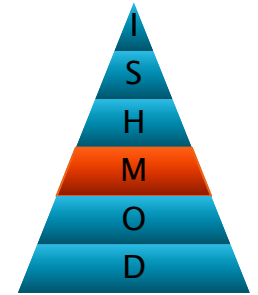
Process domain reflection

Continuous improvement

# Theory of motivation



# Motivation and Stimulation



## Motivation

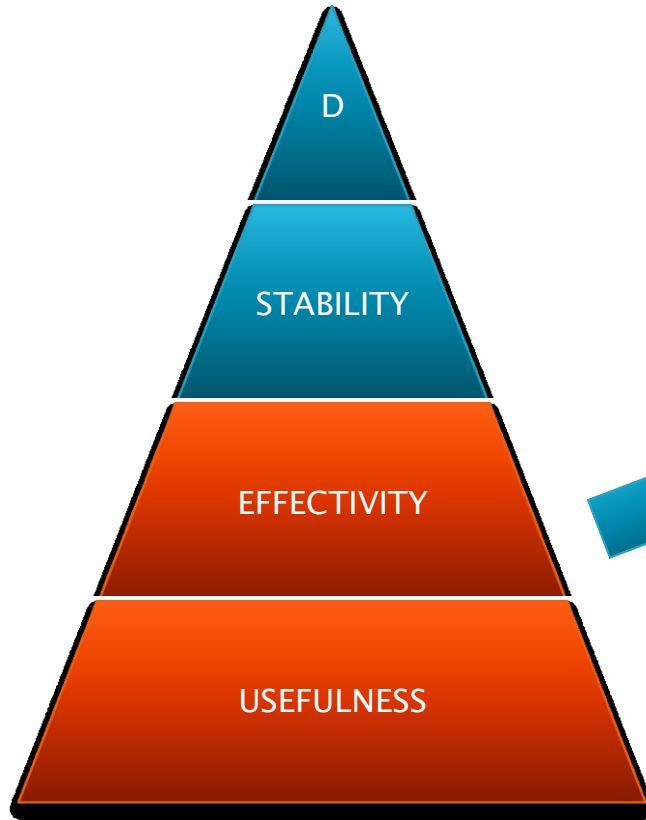
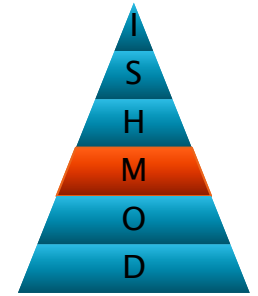
- the action that is required for people is given in relation to their current needs
- requires the ability to estimate the current needs of people

## Stimulation

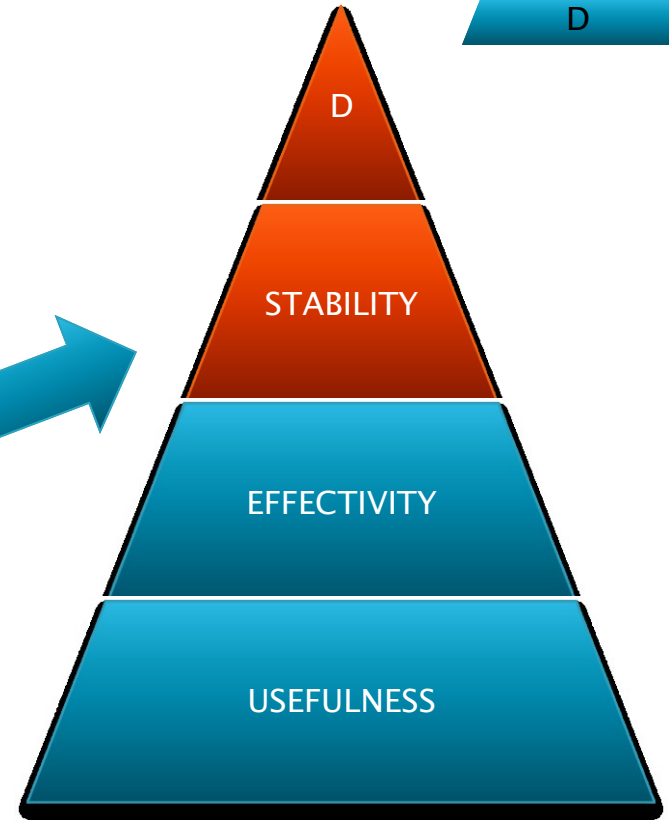
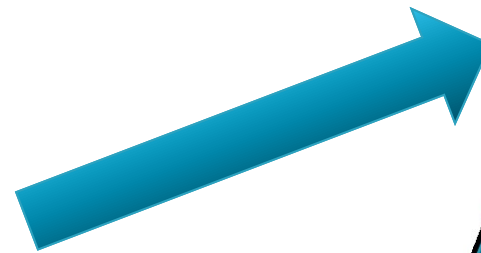
- the action that is required for people is given in relation to the general working stimuli
  - e.g. financial incentives
- requires perpetual input of time, money and effort to stimulate people



# Motivation, Stimulation and Vitality

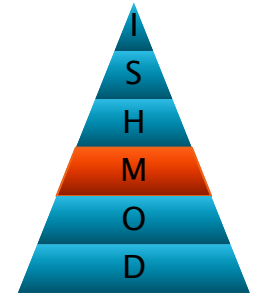


Stimulation



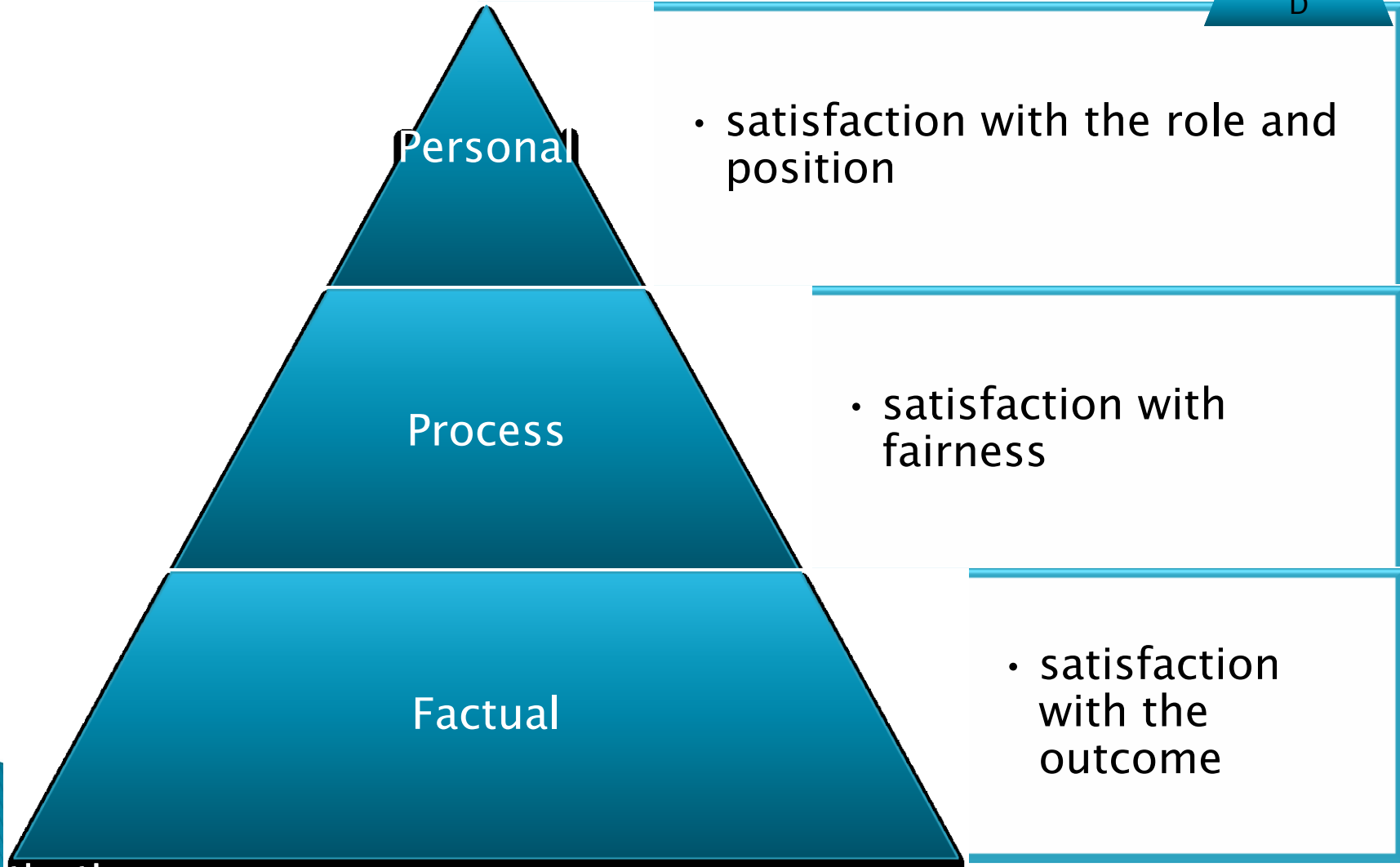
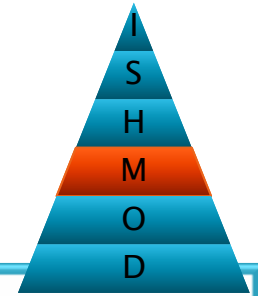
Motivation

# Principles of motivation

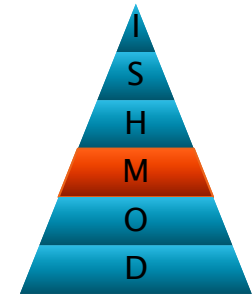


- ▶ Motivation is about reaching harmony in
  - what does one person feels as their inner needs
  - what this person is assigned to do for company
- ▶ Making person and task to be assigned to fit each other
  - adjust person to the task
  - adjust task or its submission to person
- ▶ Golden rule
  - “Do not adjust people to their task, but adjust tasks to people and their needs!”
- ▶ Manager skilled in motivating is able to
  - reach desired result and
  - make people happy and satisfied with their work

# Personal happiness and satisfaction



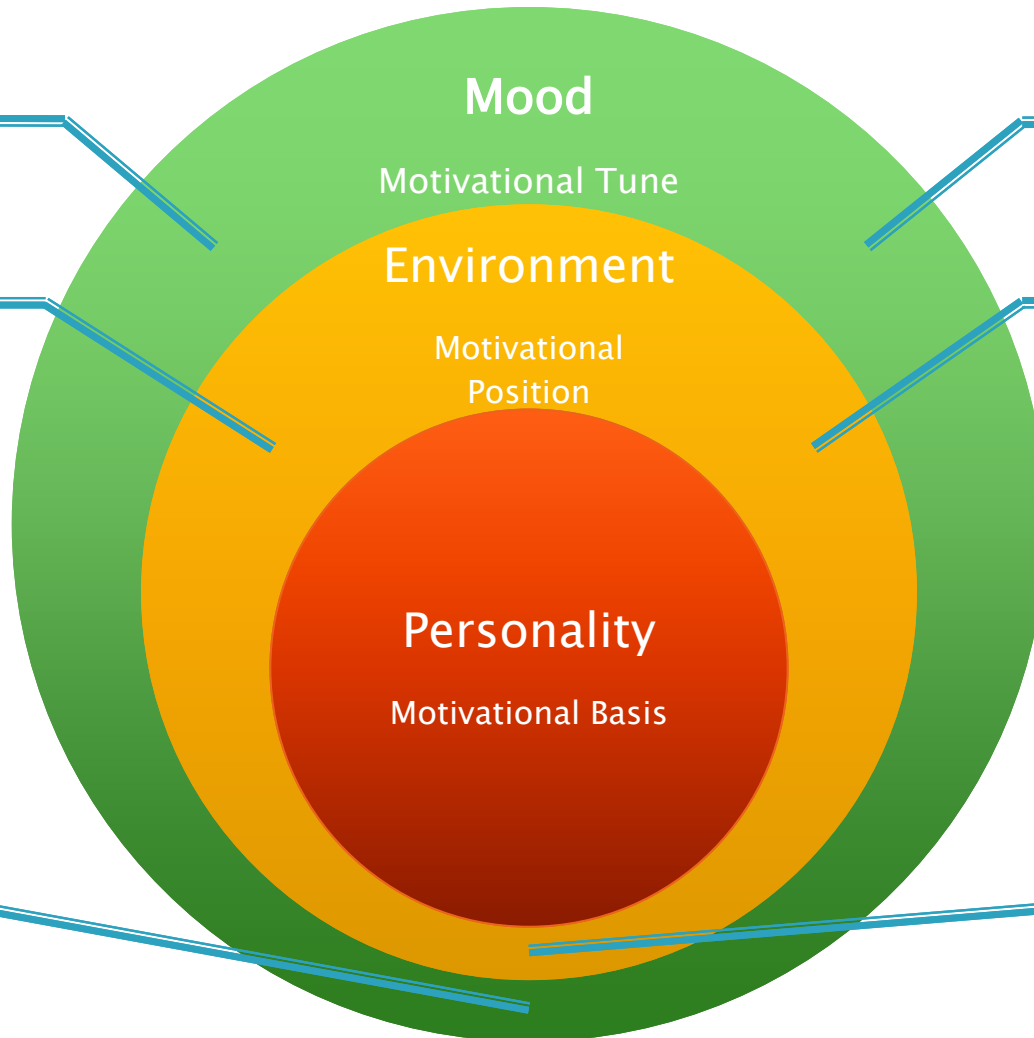
# Motivational layers



reflection of outer short term impulses

social role and order

may overlap the other factors in short term

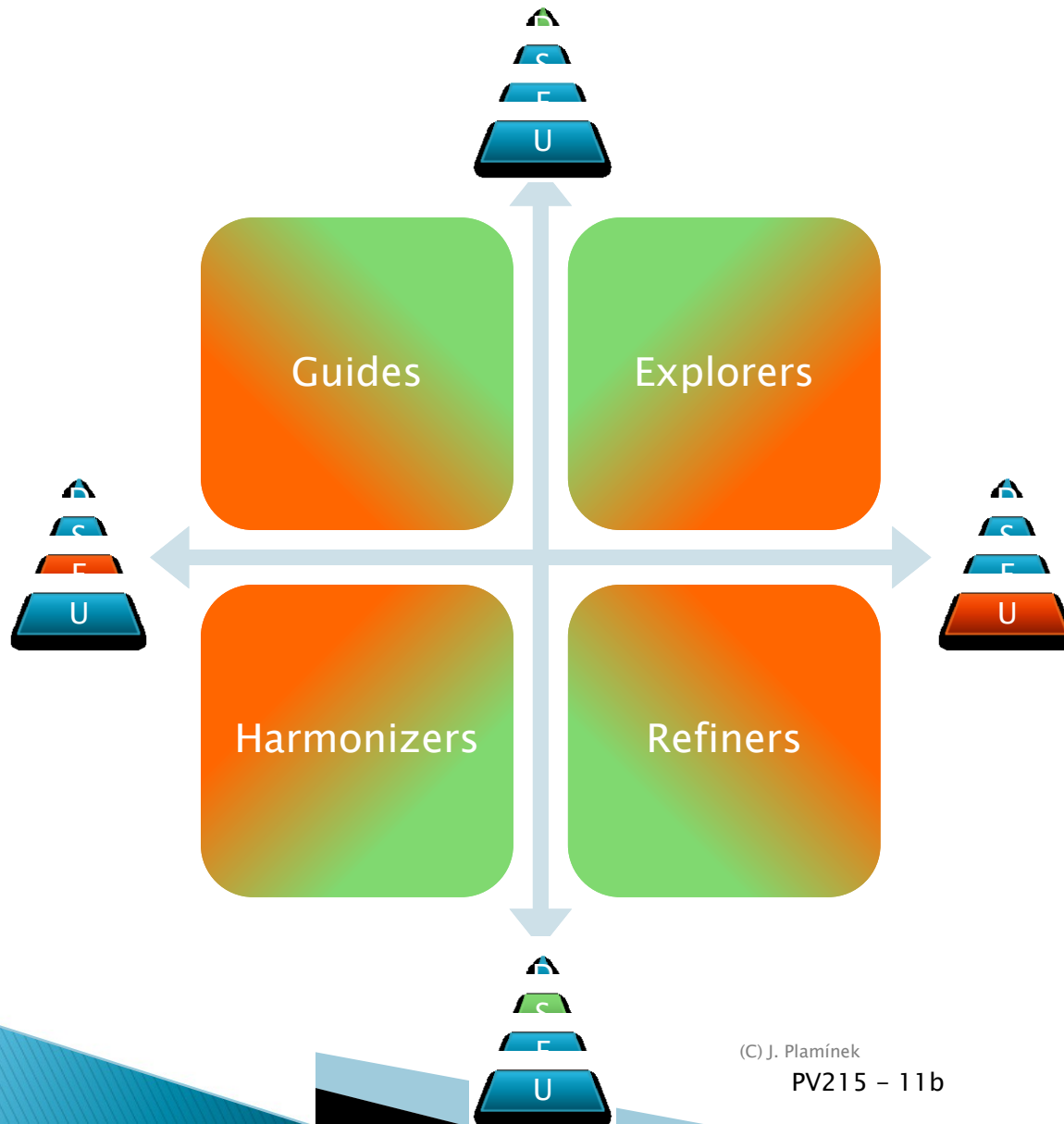


reflection of current inner state

degree of fulfillment of life needs

may mask and hide the personality influence in long term

# Motivational Basis



# Motivational Basis



	Explorer	Guide	Harmonizer	Refiner
Typical need	Inner self-assertion: overcoming challenges	Outer self-assertion: influencing people	Outer anchor: favorable environment	Inner anchor: perfection
Response to praise	"I know. Of course it works."	"It was not easy. I'll show what I did."	"Praise also the others."	"Thanks. I did what I could."
Response to criticism	"I know. It has already happened."	(Belittlement) "Who the hell you are, ..."	(Acceptance) "I see. Maybe I disappointed you"	Fair criticism: (Regret) Unfair criticism: (Diplomatic) "If you think so"
Cope with stress	Kick. Higher performance	Delegating to others	Unresponsive	Big stress, collapse.
Motivating formulations	This will be hard. Nobody done it before. Do it in your way.	We depend on you. You are great organizer.	You will be a part of the team. You will help if they struggle.	Here are the instructions. I will advise when it is not clear.

# Motivation and Environment

