Management by Competencies
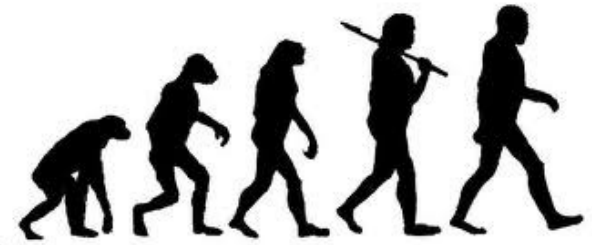
Introduction
2025

Agenda

- Course Introduction
  - origin
  - motivation and goals
 - resources
- Management basic

Course teachers

- Ing. Leonard Walletzký, Ph.D.
  ◦ Lessons
  ◦ Seminars on Monday – starting from 24.2.
- Mgr. Zuzana Schwarzová
  ◦ Seminars on Tuesday – starting from 25.2.
- Ing. Patrik Procházka
  ◦ Seminars on Friday– starting from 28.2.

Course context and origin

- Originally being developed for the Service Science, Management and Engineering (SSME) study program
- Based on
  - existing *Management by Competences* theory and methodology by Jiří Plamínek
  - 3 years experience of using *Management by Competencies* in practice
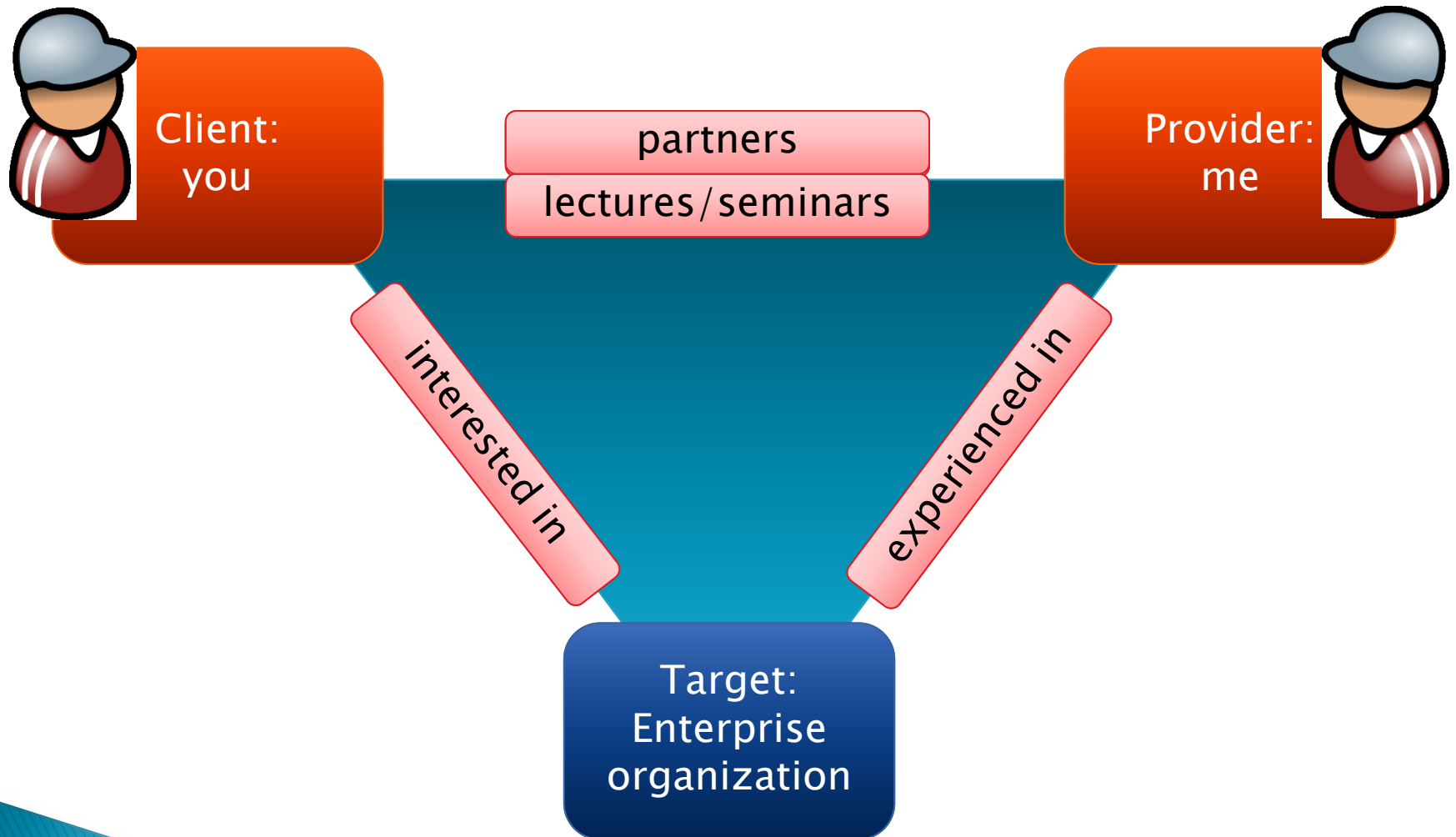- IT people need a „special approach"

Course motivation
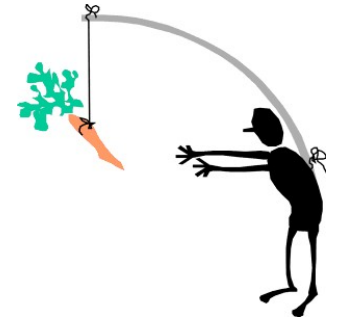
Management is always important	Management is a part of SSSM
• To bring a different knowledge together to develop something valuable	• Software Systems and Services Management

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
- service background
- the value of human uniqueness

Value co-creation

Lectures	Seminars
• Theory • Examples	• Training • Discussions

2 hours per 1 week	All together

2 hours per two weeks	Two alternating groups

"Home" works in teams

Course organization

- Lectures: Two-hour lectures are held each week, focusing on theoretical concepts supplemented with examples.
- Seminars: two hours every 14 days (equivalent to one hour per week), concentrate on practical issues and training. These sessions involve working on practical examples from real company
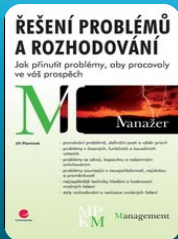
Course resources

Management by Competencies

J. Plamínek, R. Fišer – Czech only

Leading of people, teams, and companies

J. Plamínek – Czech only

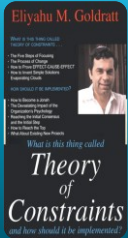Problem solving and decision making

J. Plamínek – Czech only

Course and MbC resources

Synergistic management

J. Plamínek – Czech only

Theory of Constraints

Elyiahu M. Goldratt
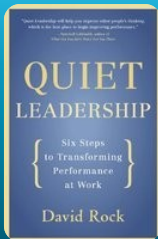
The Quiet Leadership

D. Rock

Outline of the course

Management basics	MbC introduction	Advanced MbC
Introduction	Theory of vitality	Process management
Tasks	Company culture	Implementation of MbC
Principles	Key roles	Practical examples
Role of information		
Analytics tools		
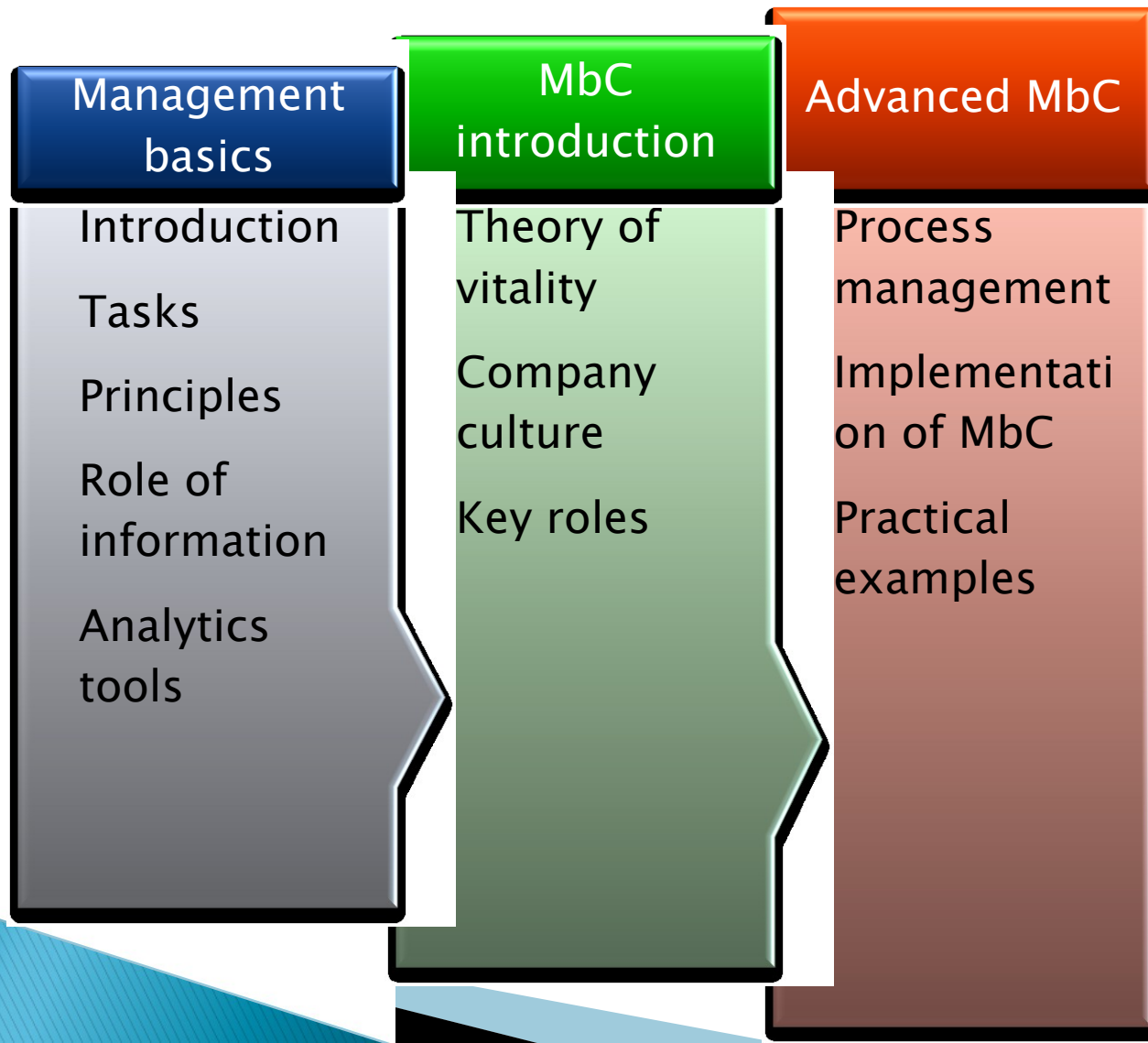
Exam

- 30% – seminar work
- 60% – test at the end of the semester
  - 50% open questions
  - 50% optional questions
- Management by competencies (the basic) is the part of the state exam

Main tasks of the management

- is to form the production process

- and increasing of the output

- to fulfill the company goals

- in the highest level possible

Management from the company perspective

Strategic Planning
- Setting the company's direction and defining long-term goals.

Resource Management
- Allocating resources (human, financial, physical, and informational) efficiently to achieve the company's objectives.

Operations Management
- Overseeing the company's day-to-day operations to ensure they align with strategic goals.

Risk Management
- Identifying potential risks and implementing strategies to mitigate them.

Performance Monitoring
- Tracking the company's performance against its strategic goals, and making necessary adjustments.

Staff Development
- Hiring, training, and developing employees to meet the company's needs.

Stakeholder Communication
- Communicating effectively with stakeholders, including employees, customers, investors, and the public.

Compliance and Governance
- Ensuring the company complies with laws and regulations, and adheres to corporate governance standards.

5 phases of the management

Leading and Leadership

- Guiding and influencing individuals or a group towards a common goal.
- Setting a clear vision and communicating it effectively.
- Providing the necessary information and methods to realize the vision.
- Balancing the conflicting interests of all members or stakeholders.
- Demonstrating creativity in difficult situations.
- Not just about authority, but about qualities, actions, and impact.

Leadership styles

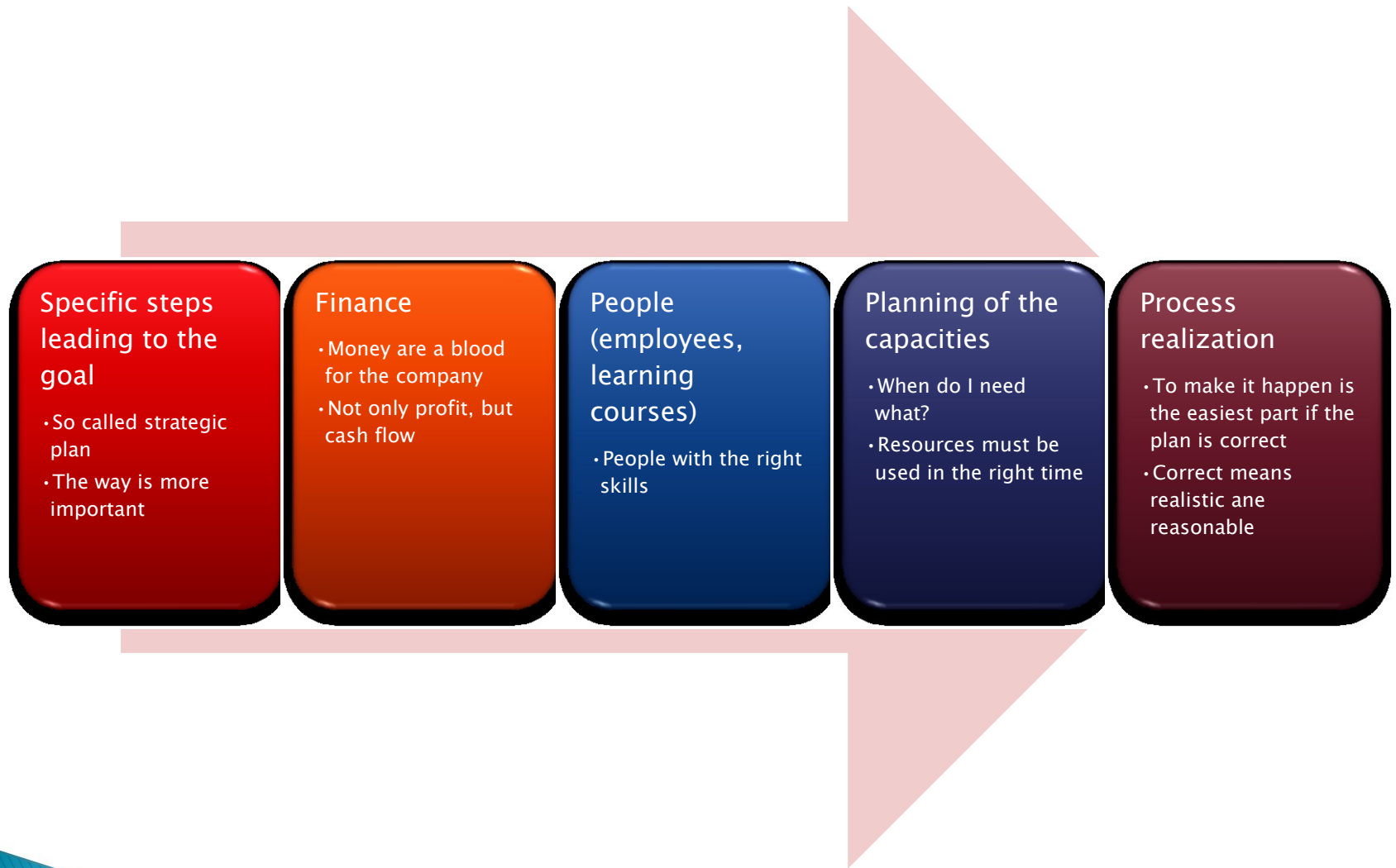| Autocratic Leadership	Democratic Leadership	Transformational Leadership	Laissez-Faire Leadership	Transactional Leadership
• This style is characterized by individual control over all decisions and little input from group members. Autocratic leaders typically make choices based on their ideas and judgments and rarely accept advice from followers.	• Also known as participative leadership, this style is typically the most effective. Democratic leaders offer guidance to group members, but they also participate in the group and allow input from other members.	• Transformational leaders inspire their team members because they expect the best from everyone on their team and themselves. This leads to high productivity and engagement from everyone in the team.	• This leadership style allows employees to carry out activities freely within broad boundaries. Laissez-faire leaders give their team members a lot of freedom in how they do their work, and how they set their deadlines.	• This leadership style starts with the idea that team members agree to obey their leader when they accept a job. The transaction usually involves the organization paying team members in return for their effort and compliance.

Goals creation

- Main idea: the maximization of the profit
  - Main goal – our version of maximization of the profit
- The question – what profit?
  - Short term – in one fiscal period (year or shorter)
  - Long term – in more than three years or more
- Analyze the possibilities – the ways how to reach the main goal
- Choosing the best option

Planning and realization

Specific steps leading to the goal	Finance	People (employees, learning courses)	Planning of the capacities	Process realization
• So called strategic plan • The way is more important	• Money are a blood for the company • Not only profit, but cash flow	• People with the right skills	• When do I need what? • Resources must be used in the right time	• To make it happen is the easiest part if the plan is correct • Correct means realistic ane reasonable

Control

- Need to control realization process
  - In the basic, it is the comparison between the plan and reality
  - Must contain also the adaptation part (when you need to change the plan)
- **The part of the realization**
  - Does the realization go in the right way?
  - Monitoring must be an everyday task!
  - Response to mistakes or deviations
- Control after realization only is not effective
  - Then we can only analyze the reasons of failure
  - After realization we should evaluate the whole process and suggest the improvements

Coordination

- Organizing and synchronizing activities of individuals and departments.
  - Relationships and synergy among teams and departments
- Aligning efforts towards common goals.
  - Order of the tasks and goals, their structure
- Ensuring effective and harmonious teamwork.
  - Collaboration within the team
- Facilitating clear communication and conflict resolution.
  - Conflicts are normal
  - The role of the manager is to achieve a solution that is acceptable for everyone but best for the company
- Enhancing efficiency and achieving organisational objectives.
  - The goal is not that everyone is happy, but everyone is working for the company

Information in management

◦ Processed data used in decision-making.
  · The question of data quality
◦ Basis for planning, controlling, organizing, and directing.

| •Planning	•Controlling	•Organizing	•Directing
• Information helps managers forecast future conditions, set goals, and determine the best strategies to achieve these goals. It provides insights into market trends, customer behavior, and internal capabilities, which are crucial for effective planning.	• Information is used to compare actual performance with planned performance. Managers use this information to identify deviations, take corrective actions, and ensure that the organization's objectives are being met.	• Information helps managers understand the resources available to the organization, including human, financial, and physical resources. This understanding is essential for organizing these resources effectively to carry out the organization's plans.	• Information is used to guide and motivate employees towards achieving the organization's goals. Managers use information to communicate expectations, provide feedback, and make decisions that affect the direction of the team or organization.

Where are the information?
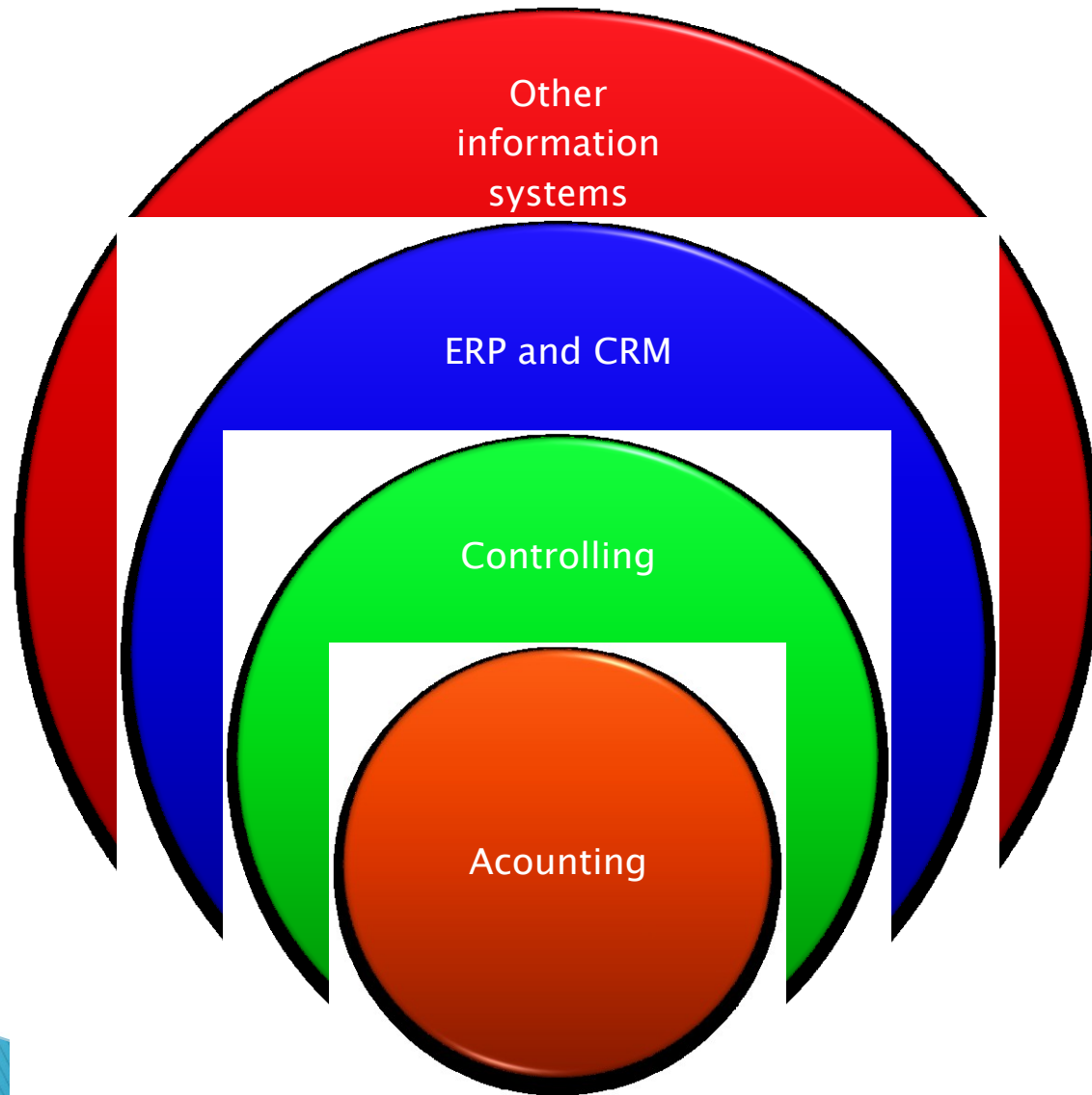
Conclusion

- Main goals of the management
- Why do companies need management?
- What are the sources for decisions?
- Specific role of information and IT