



## **A Study of competencies for Indian Managers**

**Abhilasha Sharma**

Associate Professor ,BIMM Pune

**Harsh Dwivedi**

Associate Professor ,R.A.Poddar Institute of Management & Research ,Jaipur

### ***Abstract***

*This study is an attempt to identify the most required competencies for a manager's success in Indian context. This study revealed 34 competencies, most needed for the success of a manager. Defining the success has always remained a controversial task. To lighten the controversy, success has been equated with achievement of goals and classified into three categories- long term success, short term success and both long term and short term successes. But this paper will highlight only for long term success. An model will be developed in this context.*

**Key Words:** *Competencies, Competency Model, Success, AHP*

### **Introduction:**

Today's business environment is complex, dynamic, multiphase and has a far reaching impact. Increasing complexity and accelerating changes forces managers to introspect and rethink about: how effectively they can deal with these vast and fast changes. The possible solution seems for this is to enhance their effectiveness by developing and cultivating needed competencies.

A manager has to play several roles and perform a lot of jobs in an organization. A manager has to possess multiple skills for effectively dealing with various immediate and long term situations. Hence, a manager should be effective, alert and active.

Now, dramatic changes occur unexpectedly. A manager has to effectively deal with both short term goals and long term goals. Managerial effectiveness means performing managerial activities effectively and efficiently. This means a manager does the right things and does these things rights. An effective manager plays a critical role in the success of an enterprise. He demonstrates several qualities such as visionary thinking, adaptability to

change, building bonds and leveraging diversity, willing to take and promote risk, exemplify ethics and integrity, pay attention to strategic thinking, pay emphasis on innovation, show emotional maturity and influence the people around him.

An attempt is made in this paper to develop a Competency Model, which lists and ranks the long term competencies for success of Indian managers. **Review of Research**

Review of literature shows that managerial effectiveness has been studied with three perspectives:

1. Traditional/Conventional Perspective
2. Organizational Level Competency Based Perspective, and
3. Individual Level Competency Based Perspective.

The traditional model emphasizes the ability to set and achieve goals (Coventry and Martin, 1995)<sup>1</sup> where it is implicitly assumed that managerial effectiveness leads to organization effectiveness. The organizational competency based approach implies that there is long term future orientation that accounts for both external and internal influences on the organizations. From these analyses a vision is created for future of the organization, goals are set that will achieve the vision. Here, the organization tries to create the system and environment with the help of skills and characteristics of managers that lead them to achieve strategic intents. The individual competency based approach to managerial effectiveness focuses upon the individual rather than the organization. The purpose of this approach is to develop transferable (generic) management skills that are applicable across different circumstances both nationally and internationally. But this competency-based perspective on managerial effectiveness has been heavily criticized on the ground of the contingencies and the contexts.

According to Robotham and Jubb (1996)<sup>2</sup>, the early views involving the issue of managerial effectiveness, tended to be largely based on the assumptions about what managers do, and what they should do to be successful.

These assumptions are challenged (Luthans, Rosenkrantz and Hennessey 1988)<sup>3</sup> in that rather than relying on an evaluation of managers' performance that is based on the activities traditionally prescribed for managerial success focus on the activities managers actually performed has emerged.

A closely related stream of research focused on explaining and predicting the outcome of effectiveness in various occupations, often with a primary emphasis on managers and leaders (McClelland, 1958; McClelland, 1973; Campbell, and Grant, 1974; Boyatzis, 1982; Luthans, 1988; Kotter, 1982; Spencer and Spencer, 1993, Chanaron, J.J. and Klieb, L., 2007, Mitra P.,

Muravyev A., and Schaffer M.E., 2008). In this “competency” approach, specific capabilities were identified and validated against effectiveness measures.

Bennis (1997)<sup>5</sup> in his five year longitudinal study of successful managers in the public and private sectors, discovered four common traits or competencies in them, which he postulated as the management of attention , management of meaning , management of trust and the management of self. Competencies are commonly conceptualized as a measurable pattern of Knowledge, Skills and Abilities, Behaviors and other characteristics ( KSAOs) that differentiate high from average performance ( Mirable (1997) ; Athey and Orth (1999), Rodriguez et al. (2002) ).

The ability to work well with people has always been universally acknowledged as a gift for some and a competency that others do not possess. The “soft skills “ have been identified as important contributors to work place efficiency for both leaders and employees as market pressures create the need for more competitive organizational culture skills. However, soft skills have been identified as lacking in Australia (Kaipur (1995) ), The United Kingdom (Green et al. (1998) ), The United States ( Broscow and Kleiner (1991) ; Moss and Tilly (1996) ; Stasz( 1996 ) and Canada ( Mc Kague( 1991 ) ).

Many western governments (e.g. United Kingdom, United States, Australia, New Zealand and Canada) are incorporating the competency based approach to managerial effectiveness into national qualifications. Some of the key models such as The Management Charter Initiatives (MCI) in Great Britain described by Baker (1991), Hamlin and Stewart (1990) and Miller (1991), the Managerial Effectiveness Model used by the United States Govt. (Perry and Miller (1991)).

Mansfield, B. and Mitchell,L. (1996)<sup>10</sup> stated that a competency model was a detailed description of behavior which required employees to have the ability to be effective in a job. Excellent performers on the job demonstrate those behaviors much more consistently than the average or poor performers (Schoonover et al (2000)<sup>11</sup>. There are several useful manager competency models developed by several researcher such as Boyatzis (1982); Spencer and Spencer (1993), Quinn et al. (1996) and Hellriegel et al. (2002). But there is no unique one which can be suitable for all varied companies (Murray,1998)<sup>12</sup>. It is now a leading company strategy to develop or adopt manager competency models and also apply competencies in all major human resource fields, including recruitment, selection, assessment, development, appraisal and rewards (Schoonover et al. (2000 ; JPC –SED (2002) ; Sinnott et al.( 2002) ).

Competency models have their place in human resource practices and their use can be a method of speaking a similar language among various audiences when discussing work requirements. However, competency models are not the sole solution for every hiring and selection decision or other managerial functions (Cockerill, Hunt, & Schroder, (1995)<sup>15</sup>, nor should they be the only tool utilized in meeting education and training needs (Dalton, 1997)<sup>16</sup>. Ashworth and Saxton (1990)<sup>17</sup> explain that framing competencies as an outcome can

ignore the mental and personal processes that are utilized in developing and exhibiting skills and utilizing knowledge.

## **Study**

This study is sought to device a competency model for the managers to help them to enhance their managerial effectiveness. This research is undertaken with a view to provide an insight into the competency model especially from the Indian point of view. The objective of this study is to identify the list of competency elements required for outstanding performance which in turn results in success long term competencies, those that are more prone towards long term success, The same ideology works for short term threats. Some short term threats have to bear and some have to be dealt. A successful manager is one who keeps his long term vision and takes advantage of short term opportunities as they arise. No one knows when the recession will end; no one knows when boom will start. It is also said, "Some opportunities knock only once". An effective manager is successful both in shorter time frame and longer time frame.

We have correlated managerial effectiveness with long term success as well as short term success. We have made a research to find out which competencies are required by the Indian managers to get success in longer time frame, in the shorter time frame and in for both longer and shorter time frames.

The exhaustive literature survey was made to enlist the most required competencies for the success which resulted in a list of 50 competencies which are required for the outstanding performance by the Indian managers. Delphi technique, consisting of the following stages was followed to narrow down this list. The list of 50 competencies items was sent to the panel of experts consisting of nine members. This resulted in a set of 10 competencies most required for long term success in Indian industry by the managers. Finally, a competency model for the Indian managers was developed which showed 10 competencies each for long term success .

Further, an important research instrument, a survey questionnaire was designed based on above classification, consisting of a 5 point Standard Preference Scale. The questionnaire was designed to find out the ranking of competencies in long term success. This scale was employed using the following anchors for all three categories:

- (1) Equally Preferred-1
- (2) Moderately Preferred-3
- (3) Strongly Preferred-5
- (4) Very Strongly Preferred-7

(5) Extremely Preferred-9.

The questionnaire was forwarded to 60 Indian managers of different sectors. The sample region of study was Jaipur. In this region we have included the Regional Managers, Area Managers, Unit Head, and M.D. etc. They are working as the head of their unit and are responsible for strategic planning, goal setting and development of their organizational strategies in this region. They have to deal with all factors affecting the success of their organizations in this region. The response rate came out to be 66.66% i.e. 52 managers responded. The reason for choosing different sectors was to ascertain the competencies across a broader spectrum of managers. 78 managers were selected with the aim that sample selection would ensure reasonably consistency in the population being surveyed. Managers ranged across the medium and large organizations from Auto, Telecom, Retail, Banking and Financial Services Sectors etc. The relatively high response rate was the result of senior management support. The data were subsequently analyzed using Analytical Hierarchy Process (AHP)<sup>18</sup>.

With the help of AHP analysis, a Generic Competency Model was designed which helped to identify the ranking of competencies in each category.

### **Analysis**

Knowing the significance of competencies for the success does not results into fruits until they are developed, nurtured and become as the part of behavior. A usual question arises, what should be done to develop and cultivate the competencies. The solution of this question lies in understanding the way of our learning from childhood. Competencies can be seen as a coordinated bundle of habits-what we think, feel, and do to achieve our goals. Incompetence often stems from habits learned early in life. These automatic habits are set in place as a normal part of living, as experience shapes the brain. People acquire a habitual repertoire of thought, feeling, and action, and the neural connections in the brain that support this repertoire become stronger. Connections that are not used become weaker. When habits are strong, the underlying neural connections become the brain's default option—what a person does automatically and spontaneously often with little or no awareness that a menu of possible responses is available.

In many respects, developing the competency is more like learning a physical skill, but in some other respects, it is even more difficult than learning a physical skill such as playing tennis. Tennis novices receive continuous and clear feedback about whether they are performing adequately: If the ball is hit correctly, it will go in the proper direction at the right velocity. In contrast, no one is a novice when he or she starts training in conflict resolution or other competencies; one always brings a host of preconceptions and modes of behavior that can get in the way of learning. Finally, in developing competencies, one must become attuned to how the social and cultural context influences the transfer of learning from one situation to

another. In addition with this, some competencies are cognitive which involves fitting new bits of information into existing frameworks of understanding.

At the basic level, habits are the intersection of knowledge, skill, and desire. Knowledge is the theoretical paradigm, what to do and why? Skill is the how to do. And desire is the motivation, the want to do, to take actions. In order to make something a habit i.e. competence in our lives, we have to have all three.

As, in the Generic Competency Model, the most needed competencies for success were classified in the three categories. For the long term success (see Table (A)), the most preferred two competencies ranked by Indian managers are Visionary Thinking (21.86%) and Strategic Thinking (18.73%).

**Visionary thinking** is the mental perception of the kind of environment an individual aspires to create within a broad time horizon and the underlying conditions for the actualization of this perception. The managers have to develop and maintain a clear vision for their organization and the long-term, big-picture needs and opportunities that support the vision. For this, they should ask themselves if they can really articulate what "vision" means to them, and what their vision is for the company. They should write down their vision, and be as specific as possible. What do the products and services look like? Who are their customers? What type of people make up their organization? How can they contribute to achieving this vision? What learning and resources need to be acquired to support this vision? The managers should describe the ideal end state for the organization. These consistent practices and rethinking sessions develops the visionary thinking in the managers.

**Strategic Thinking** refers to understand the organization's strengths and weaknesses as compared to competitors. People with this competence develop and propose a long-term strategy for the organization based on an analysis of the industry and marketplace and the organization's current and potential capabilities as compared to competitors. They also understand the industry and market trends affecting the organization's competitiveness. For the development of this competency, the managers should clearly communicate their organization's business plan so that their team can effectively build its own strategies, he should make a habit of reading key business literature, Interview key stakeholders in different functions or at different levels to gain an understanding of their perspectives, should regularly review the organization chart to get a sense of how the business operates, and participate on a task force outside their function to get a hands-on feel for how strategic thinking is promoted in other organizations.

### **Implication of the Study**

The present study which aims at enhancing managerial effectiveness for managers is not only beneficial for managers but also equally valuable for other related areas. Some significant recommendations of this study are as follows:

- To meet the challenges of globalization and remain competitive throughout, the Indian managers need to constantly work upon the areas that can enhance their managerial effectiveness for the overall success. They need to develop and cultivate most needed competencies in the present scenario for the success of themselves and of their organizations.
- This study recommends that managers who demonstrate the behaviors equivalent to the most needed competencies for success, and generate success should be given recognition by industries. These managers should be propagated as a standard set of required behaviors.

### **GENERIC COMPETENCY MODEL**

**Table (A) Competencies More Prone towards Long Term Success**

<b>Competency</b>	<b>Composite Mean</b>	<b>Composite Percentage (%)</b>
D- Visionary Thinking	0.21863	21.86295
B-Strategic Thinking	0.187304	18.73044
C- Adaptability and Flexibility	0.107563	10.75628
G-Ethics and Integrity	0.103744	10.37442
J-Building Bonds	0.07396	7.395978
F-Conscientiousness	0.068247	6.824726
I-Strong Commitment	0.067136	6.713553
E- Respecting Customer Confidentiality	0.064706	6.470639
A-Change Catalyst	0.055475	5.547451
H –Conceptual Skills	0.053236	5.32356

Annexure 1:

**1. Questionnaire for Categorization of Competencies-for the Panel of Experts**

**Questionnaire 1:**

*Dear Sir/Madam,*

*I am pursuing research in the area of ‘Competency Modeling- A Study of Top Level Managers of Selected Organizations’ and I would be extremely thankful, if you could spare few minutes for filling this questionnaire. Your cooperation is deeply solicited to provide the relevant information.*

*Thank you*

Name of Respondent : \_\_\_\_\_

Designation : \_\_\_\_\_

Name of the Organization : \_\_\_\_\_

Sector : \_\_\_\_\_

*Please tick at the place that matches your opinion.*

<b>S. No.</b>	<b>Competency</b>	<b>More Prone towards Long Term Success</b>
1	Change Catalyst	
2	Situation Leadership Style	
3	Adaptability and Flexibility	
4	Analytical and Logical Reasoning	
5	Achievement Drive	
6	Problem Solving	
7	Ethics and Integrity	
8	Conceptual Skills	
9	Influence	
10	Identifying and Urgency of Decisions	
11	Visionary Thinking	
12	Team Management	
13	Spontaneous Aggressiveness	



<b>S. No.</b>	<b>Competency</b>	<b>More Prone towards Long Term Success</b>
14	Organization Awareness	
15	Instantaneous Decision Making	
16	Respecting Customer Confidentiality	
17	Knowledge about Industry and Expertise in Business	
18	Self Confidence	
19	Effective Risk Taking	
20	Political Awareness	
21	Self Awareness	
22	Strategic Thinking	
23	Empathy	
24	Motivation	
25	Tolerance of Ambiguity	
26	Leveraging Diversity	
27	Service Orientation	
28	Strong Commitment	
29	Innovation	
30	Psychological Presence	
31	Conscientiousness	
32	Self Control	
33	Knowledge Management	
34	Building Bonds	

*Thank you very much for sparing your valuable time*

Annexure 2:

**Questionnaire for Top Level Managers**

**I. PAIR WISE COMPARISON**

Kindly use the following measurement scale:

Preference value	Numerical value
Equally Preferred	1
Moderately Preferred	3
Strongly Preferred	5
Very Strongly Preferred	7
Extremely Preferred	9

**Method of Comparison**

The competencies are to be compared in pairs. Illustration- Compare A and B first A and C and so on.

For example,

If A is strongly preferred to B, enter A5 in AB cell.

If B is extremely preferred to D, enter B9 in BD cell, etc.

**ILLUSTRATION**

Competency	Competency				
	A	B	C	D	E
A	-	A5	C5	A3	A1
B	-	-	B5	B9	B3
C	-	-	-	C1	C5

D	-	-	-	-	D5
E	-	-	-	-	-

*Matrix Comparison of Competency for Long term Success:*

Competency	Competency									
	A	B	C	D	E	F	G	H	I	J
A-Situation Leadership Style	-									
B-Problem Solving	-	-								
C-Analytical and Logical Reasoning	-	-	-							
D-Identifying and urgency of decisions	-	-	-	-						
E- Effective Risk Taking	-	-	-	-	-					
F-Instantaneous Decision Making	-	-	-	-	-	-				
G-Psychological Presence	-	-	-	-	-	-	-			
H-Tolerance of Ambiguity	-	-	-	-	-	-	-	-		
I-Knowledge Management	-	-	-	-	-	-	-	-	-	
J-Spontaneous Aggressiveness	-	-	-	-	-	-	-	-	-	-

*Thank you very much for sparing your valuable time.*

Name:

Designation:

Name of the Organization:

**Notes**

1. Martin, J. and H. Coventry(1995). *Human Resource Management During Hawke's Fourth Term: From Structural Change to Managerial Challenge*, in J. Stewart (Ed) *Hawke's Fourth Term*, Canberra, University of Canberra.
2. Robotham, D., & Jubb, R(1996). 'Competencies: Measuring the Unmeasurable', *Management Development Review*, 9, 25-29.
3. Luthans, F., Rosenkrantz, S.A., & Hennessey, H.W(1985). 'What do Successful Managers Really do? An Observation Study of Managerial Activities', *The Journal of Applied Behavioural Science*, 21(3), 255-270.
4. Hornby, D, & Thomas,R(1989). *Towards a Better Standard of Management?*, *Personnel Management*, Jan, 52-55.
5. Bennis, W., Nanus, B(1997). *Leaders – Strategies for Taking Charge*, New York: Harper Collins.
6. Rabindra N. Kanungo(1992). *Managerial Resourcefulness: A Reconceptualization of Management Skills*, *Human Relations*, Vol. 45, No. 12, 1311-1332 .
7. Conger, JA., Kanungo, R.N(1998). *Charismatic Leadership in Organisations*, Delhi:Sage Publications, Thousand Oaks, CA.
8. Cooper, KC(2000). *Effective Competency Modeling and Reporting* ,New York: Amacom.
9. Humphereys, John H and Walter O Einstein(2003). *Nothing New Under the Sun: Transformational Leadership from a Historical Perspective*, *Management Decision*, 41, No. 1/2 : 85.
10. Mansfield, B. and Mitchell, L(1996). *Towards a Competent Workforce* ,London : Gower.
11. Schoonover, S(2000). *Applying Technology to Maximize Human Assts*, Retrieved February 7, 2004, from <http://www.humanasset.net/resources/htm>.
12. Murray, Bridget(1998). Does Emotional Intelligence Matter in the Workplace?, *APA Monitor*, Volume 29.

13. Sinnott,GC.,Madison,GH & Pataki,GE(2002). *Competencies:Report of the Competencies Workgroup,Workforce and Succession Planning Work Groups*,New York State Governor's Office of Employee Relations and the Department of Civil Service.
14. Athey, TR. and Orth, MS(1999). *Emerging Competency Methods for the Future*, Human Resource Management, 38(3), pp. 215-226.
15. Cockerill, T, Hunt, & Schroder, HM(1995). *Business Strategy*, 6, 1-12.
16. Dalton , M(1997). *Are Competency Models a Waste?*,Training and Development, 51(10), 46-49.
17. Ashworth, PD., & Saxton, J(1990). *On Competence*, Journal of Further and Higher Education, 14(2), 3-25
18. Saaty,T(1996). *The Analytical Hierarchy Process*,RWS Publications.
- 19 Daniel Goleman, Working with Emotional Intelligence, Bantam Export edition/January 1999.p. 285.

## **References**

- Goleman, D, 1995. *Emotional Intelligence: Why It Can Matter More Than IQ*, New York: Bantam.
- Goleman, D,1998. *Working with Emotional Intelligence*, NewYork: Bantam.
- Luthans, F., Rosencrantz, S. & Hennessey, H, 1985. *What do Successful Managers Really do? An Observation Study of Managerial Activities*, The Journal of Applied Behavioural Sciences, 21(3), pp. 255-270.
- Mirabile,RJ,1997. *Everything You Wanted to Know about Competencies Modeling*, Training and Development ,Vol. 15,No.8 ,pp 73-77.
- Reddin, Willian J,1970. *Managerial Effectiveness*, Tokyo: McGraw- Hill Kogakusha Ltd.
- Schoonover, S, 2000. *Applying Technology to Maximize Human Assts*. Retrieve February 7, 2004, from [http:// www.humanasset.net/resources/htm](http://www.humanasset.net/resources/htm).

Thompson, JE., Stuart, R & Lindsay, PR,1996. *The Competence of Top Team Members:A Framework for Successful Performance*, Journal of Managerial Psychology ,11(3) pp. 48-67.

