

Evaluating the differences between Managerial and Executive level Personal Competencies -A critical analysis of select IT companies

Raja K.G. and Swapna Rose

Malik Deenar Institute of Management Studies, Kumble, Kerala

Abstract

This paper focuses on competency mapping. Competency mapping is a process an organization uses to identify and describe a competency which is critical to its success. This paper intends to understand the competencies of managerial and executive level employees in IT industry. This empirical study analyzes the difference between the personal competencies of executive and managerial level employees

Key words : Competency Mapping, Managerial and Personal competency.

1. Introduction

Gone are the days when people used to talk in terms of skill sets. There has been a shift in the focus of the organizations. Today organizations are talking in terms of competence, which would make their organizations competitive. Competency is a major factor that determines the success of an organization. Over the past 10 years, human resource and organizational development professionals have generated a lot of interest in the notion of competencies as a key element and measure of human performance. Competencies are becoming a frequently-used and written-about vehicle for organizational applications.

Competency Mapping is processes of identifying key competencies for an organization and/or a job and incorporating those competencies throughout the various processes (i.e. job evaluation, training, recruitment) of the organization. It generally examines the strengths of

the individual in areas like team structure, leadership, and decision-making.

Types of competency

a. Employee core competencies

Competency that relate to organization's values, mission and strategy; these are competencies that reflect organizational core capabilities.

b. Managerial competency

Competencies that relate to skills needed to perform managerial work and process; it deals with the interaction process either with individual or group of people. In typical organizations, managerial competencies will play greater emphasis as the position progresses within the organization.

c. Technical/Functional competency

Competencies that pertain to specific bodies of

knowledge and skills required. It include the abilities to use the procedures, techniques and knowledge of a specialized field.

d. Personal attribute

Competencies that relate to inherent personal characteristics (e.g. motives, self image, self concept, etc.) and potentially affect work attitude and performance

2. Research Problem

Evaluating the differences between Managerial and Executive level Personal Competencies - A critical analysis of select IT companies.

A lot is going on in recent times on the issue of competency mapping in IT industry. A lot of resource is spent and consultants are invited to do competency mapping. Competency mapping is gaining much more importance and IT companies are aware of having good human resources or putting the right people on right job.

Competency mapping is important and is an essential exercise where skill, knowledge and superior performance is given high importance. Every firm in IT industry should have well defined roles and list of competencies required to perform each role effectively. Such list should be used for recruitment, performance management, promotions, placements and training needs identification.

Competency-based HR is considered the best HR in IT organizations

Competency mapping can play a significant role in recruitment and retaining people as it gives a more accurate analysis of the job requirements, the candidate's capability, of the difference between the two, and the development and training needs to bridge the gaps.

As far as individual's career aspirations are concerned, once the organization gives an employee the perspective of what is required from him to reach a particular position. It drives him to develop the competencies for the same.

3. Literature review

Competency was first popularized by Boyatzis (1982) with research result on clusters of competencies. He defined competency as capacity that exists in a person that leads to behavior that meets the job demands within parameters of organizational environment, and that, in

turn brings about desired results. According to UNIDO (2002) a Competency is a set of skills, related knowledge and attributes that allow an individual to successfully perform a task or an activity within a specific function or job. According to Rankin (2002) Competencies are definition of skills and behaviors that organizations expect their staff to practice in work.

Michael Crosier shocked the management community by defining the organization as imperfect social compromises. Far from being scientific constructs he depicted a complex organization as a reflection of its actual degree of competency. Despite a growing interest of competency among managers and human resource professionals in recent years, the modern competency movement in industrial-organizational psychology actually dates from the mid-1950's and early 1970's. In that regard, John Flanagan's work (1954) and Dave McClelland's studies (1970) might be cited as two landmark efforts that originally invented the concept of competency. A seminal article published by John Flanagan in 1954 established Critical Incidents Technique as a precursor to the key methodology used in rigorous competency studies. Based on studies of US Air Force pilot performance, Flanagan concluded that the principle objective of job analysis procedures should be the determination of critical requirements. These requirements include those which have been demonstrated to have made the difference between success and failure in carrying out an important part of the job assigned in a significant number of instances. From here, critical incidents technique was originally discovered.

Richard Boyatzis (1982) wrote the first empirically-based and fully-researched book on competency model developments. It was with Boyatzis that job competency came to widely understood to mean an underlying characteristic of a person that leads or causes superior or effective performance. Boyatzis was explicit in describing the importance of clearly-defined competency as reflected in specific behavior and clearly defined performance outcomes when he wrote that the important points is that specific actions cause, or lead to, the specified results. Certain characteristics or abilities of the person enable him or her to demonstrate the appropriate specific actions.

4. Research Objectives

The present research has been undertaken to fulfill the following objectives:

1. To understand the competencies of managerial and executive level employees in IT industry.
2. To identify the difference between the personal competencies of executive and managerial level employees.

5. Research Hypotheses

The objectives of the study are empirically tested and statements of hypotheses for this study are as follows:

H₀: There is no significance difference between Managerial and Executive level Personal Competencies of IT industry

H₁: There is significance difference between Managerial and Executive level Personal Competencies of IT industry

6. Sampling design

For organization study the target population was identified as all employees working in IT companies in Karnataka. List of employees provided by the companies was the sampling frame. For the present study the sample size was decided at 60 employees of IT companies in Karnataka which included 30 managerial cadre and 30 executive cadre employees.

7. Methodology

Primary data collected for the purpose of analysis have been checked, coded, classified, and tabulated, by following the statistical procedures. Analysis and interpretation of primary data are based on the tabulated data. The framework of analysis is described in the sequence made during the course of the research. The SPSS package was used for the analysis of the collected data.

8. Limitations

- a) Due to the time restriction, the Survey included only 60 employees. Therefore, the findings may not be applicable to the entire employees' view.
- b) Though the time was not sufficient all the efforts have been made by the researchers to get the accurate data.

9. Results and discussions

The raw data was analyzed using SPSS 17.0 .Factor analysis was carried out in order to summarize the 43 variables into smaller sets of principal components. Forty three variables were reduced to seven principal components through varimax rotation. The derived factors represent the different competencies required by executive and managerial level employees.

With regard to the pre-analysis testing for the suitability of the entire sample for factor analysis, the Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy was found to be 0.792 and the Bartlett's test of sphericity 1621.312,significant at $p < 0.001$ (Table 1).Thus it indicated that the sample was suitable for factor analysis.

KMO Measure of Sampling Adequacy		0.792
Bartlett's test of Sphericity	Approx Chi-Square	1621.312
	Degree of Freedom	231.000
	Significance	0.000

Table 1 KMO and Bartlett's table

The seven factors

Referring to the table 2 as shown below, the seven Factors identified were as follows:

First factor represents Communication. It includes attention to communication, oral communication, written communication and persuasive communication.

The second factor represents Job related Skills .It includes Managing performance, Customer orientation, diagnostic information gathering, analytical thinking, personal credibility, technical expertise and building collaborative relationships.

The third factor represents Managerial competency .It includes Conceptual thinking, strategic thinking, global perspective, fostering teamwork, empowering others, managing change and developing others.

The fourth factor represents Entrepreneurship competency. It includes Entrepreneurial orientation and fostering innovation.

The fifth factor represents Leadership competency .It includes forward thinking, initiative, and flexibility, providing motivational support and fostering diversity.

The sixth factor represents Business skill competency .It includes results orientation, business acumen and establishing focus..

The seventh factor represents Personal competency .It includes thoroughness, decisiveness, self confidence, stress management, interpersonal awareness and influencing others.

Factor 1 – communication	Factor loading
Attention to communication	0.823
Oral communication	0.952
Written communication	0.952
Persuasive communication	0.756
Factor 2 - job related skills	
Managing performance	0.716
Customer orientation	0.923
Diagnostic information gathering	0.932
Analytical thinking	0.612
Personal credibility	0.668
Technical expertise	0.736
Building collaborative relationships	0.756
Factor 3 - managerial competencies	
Conceptual thinking	0.888
Strategic thinking	0.888
Global perspective	0.890
Fostering teamwork	0.559
Empowering others	0.767
Managing change	0.858
Developing others	0.621
Factor 4 - entrepreneurship competency	
Entrepreneurial orientation	0.938
Fostering innovation	0.942
Factor 5 - leadership competency	
Forward d thinking	0.670
Initiative	0.644
Flexibility	0.644
Providing motivational support	0.668
Fostering diversity	0.862
Factor 6 - business skill	
Results orientation	0.874
Business acumen	0.540
Establishing focus	0.634
Factor 7 - personal competency	
Thoroughness	0.974
Decisiveness	0.974
Self confidence	0.974
Stress management	0.974
Interpersonal awareness	0.771
Influencing others	0.756

Table 2 Factor analysis

10. Research Hypotheses

The factor analysis considered to exhibit sufficient reliability and validity .Therefore it was used for further analysis. In order to identify the difference between the personal competencies of executive and managerial level employees ANOVA has been used. the factor scores were obtained and used as independent variable in ANOVA. The respondents’ response on whether they belong to managerial or executive level employees was taken as dependent variable.

Table 3 illustrates the Mean score analysis of factors for managerial and executive level. Table 4 gives the ANOVA table. It can be seen from the table that there is significant difference among the groups for all the factors except job related competencies and leadership competencies.

From the table 4, it can be inferred that there is a significance difference between managerial and executive level employees in terms of Communication, Business Skill, Managerial, Entrepreneurship and Personal Competencies.

In terms of Communication factor the mean score of executive level is 4.7 whereas the mean score of management level is 3.8.Thus there is a significance difference between the communication skill required by the management level staff and the executive level staff. Executive level staff needs more of communication skill compared to the managerial level staff. Here the term communication includes attention to communication, oral communication, written communication and persuasive communication.

Factors		Communication	Job related skills	Managerial competencies	Entrepreneurship competency	Leadership competency	Business Skill	Personal competency
Executive level	Mean	4.7000	4.2667	3.1714	3.5000	3.9533	3.4222	4.7000
	Std. Deviation	.53498	.32863	.62259	.50855	.41251	.36022	.53498
Managerial level	Mean	3.8667	4.4048	4.2524	3.8667	3.9533	4.2889	3.7167
	Std. Deviation	.28416	.45032	.26444	.45359	.31375	.34722	.30996
Total	Mean	4.2833	4.3357	3.7119	3.6833	3.9533	3.8556	4.2083
	Std. Deviation	.59743	.39700	.72247	.51228	.36335	.56036	.65858

Table 3 Mean score analysis of factors for managerial and executive level

In job related skill factor, the mean score of executive level is 4.26 and the mean score of management level is 4.4. Thus there is no significance difference between the job related skill required by the management level staff and the executive level staff. Here job related skill includes Managing performance, Customer orientation, diagnostic information gathering, analytical thinking, personal credibility, technical expertise and building collaborative relationships.

In terms of managerial competency factor the mean score of executive level is 3.17 whereas the mean score of management level is 4.25. Thus there is a significance difference in terms of managerial competency between the management level staff and the executive level staff. Managerial level staff needs more of managerial competency compared to the Executive level staff. Here the term managerial competency includes Conceptual thinking, strategic thinking, and global perspective,

fostering teamwork, empowering others, managing change and developing others.

In terms of Entrepreneurship competency factor the mean score of executive level is 3.50 whereas the mean score of management level is 3.86. Thus there is a significance difference in terms of managerial competency between the management level staff and the executive level staff. Managerial level staff needs more of Entrepreneurship competency compared to the Executive level staff. Here the term Entrepreneurship competency includes Entrepreneurial orientation and fostering innovation.

In Leadership competency factor, the mean score of executive level is 3.95 and the mean score of management level is 3.95. Thus there is no significance difference between the Leadership competency required by the management level staff and the executive level staff. Here Leadership competency skill includes forward thinking, initiative, and flexibility, providing motivational support and fostering diversity.

Factors			Sum of Squares	df	Mean Square	F	Sig.
Communication	Between Groups	(Combined)	10.417	1	10.417	56.774	.000
	Within Groups		10.642	58	.183		
	Total		21.058	59			
Job related skills	Between Groups	(Combined)	.286	1	.286	1.841	.180
	Within Groups		9.013	58	.155		
	Total		9.299	59			
Managerial competencies	Between Groups	(Combined)	17.527	1	17.527	76.613	.000
	Within Groups		13.269	58	.229		
	Total		30.796	59			
Entrepreneurship competency	Between Groups	(Combined)	2.017	1	2.017	8.686	.005
	Within Groups		13.467	58	.232		
	Total		15.483	59			
Leadership competency	Between Groups	(Combined)	.000	1	.000	.000	1.000
	Within Groups		7.789	58	.134		
	Total		7.789	59			
Business Skill	Between Groups	(Combined)	11.267	1	11.267	90.018	.000
	Within Groups		7.259	58	.125		
	Total		18.526	59			
Personal competency	Between Groups	(Combined)	14.504	1	14.504	75.882	.000
	Within Groups		11.086	58	.191		
	Total		25.590	59			

Table 4 ANOVA table for finding the difference between managerial and executive level across the factors of competency

In terms of Business Skill factor the mean score of executive level is 3.42 whereas the mean score of management level is 4.28. Thus there is a significance difference in terms of Business Skill factor between the management level staff and the executive level staff. Managerial level staff needs more of Business Skill compared to the Executive level staff. Here the term Business Skill competency includes results orientation, business acumen and establishing focus.

In terms of Personal competency factor the mean score of executive level is 4.72 whereas the mean score of management level is 3.71. Thus there is a significance difference in terms of Personal competency factor between the management level staff and the executive level staff. Executive level staff needs more of Personal competency compared to the managerial level staff. Here the term Personal competency includes thoroughness, decisiveness, self confidence, stress management, interpersonal awareness and influencing others.

11. Research implications & Conclusion

The study was conducted to know the differences between the Personal Competencies of Managerial and Executive level employees in IT companies. The study is a genuine effort to achieve the objectives mentioned in the initial stage of the report, subject to the limitations of Study. Sample of sixty were taken for the purpose of which thirty were from managerial level and rest thirty were from the executive level. A survey was conducted with the help of the questionnaire. Simple frequency - percentage method, factor analysis and ANOVA were used for the study. The Study revealed that there is a significance difference between managerial and executive level employees of IT industry there is a significance difference between managerial and executive level employees in terms of Communication, Business Skill, Managerial, Entrepreneurship and Personal Competencies. Executive level staff needs more of communication skill like attention to communication, oral communication, written communication and persuasive communication compared to the managerial level staff. As executive level employees need to execute the work of their superiors they need to give attention to the communication that is done by their superiors. As the executive level employees work together in a team in IT

companies they should be orally good at communication to communicate among the team members and be good at written communication as executive level employees do more of routine work which involves writing. Executive level staff needs more of Personal competency compared to the managerial level staff. Here the term Personal competency includes thoroughness, decisiveness, self confidence, stress management, interpersonal awareness and influencing others. Since executive level employees have to give importance for the minute details they need to have thoroughness. They need to be determined and confident to do the work. As they will be given with more work they should know how to manage the stress. As they work in team their interpersonal awareness should be more so that they can work in harmony. Executive level employees also need to know how to influence others in the team so that they can together achieve the goal. As the managerial role involves more of innovation and entrepreneurship; managerial level staff needs more of entrepreneurship competency compared to the executive level staff. Managers will be more focused on results. Business skill involves result orientation. Thus Managerial level staff need more of Business Skill compared to the Executive level staff. Conceptual thinking, strategic thinking, and global perspective, fostering teamwork, empowering others, managing change and developing others are the responsibilities of managers which is termed as managerial competency in our study. It is very much needed by the managerial level staff for the success of the organization.

12 References

- Boyatzis, Richard E.. *The competent manager, a model for effective performance*. McBer and Company, John Wiley and Sons, Inc., 1982
- Ganesh Shermon, *Competency based HRM*, 1st edition. 2004
- McClelland, D. C., *Testing for competence rather than for intelligence*. *American Psychologist*, 28, 1973:1-4.
- Seema Sanghi, "The Handbook of Competency Mapping: Understanding, Designing and Implementing Competency Models in Organizations, Sage Publications Pvt.Ltd; Second Edition, November 5, 2007.
- Spencer, Lyle M. Jr., Spencer M. Signe. *Competence at work: Models for superior performance*, John Wiley & Sons, Inc. 1993