KNOWLEDGE, SKILLS AND COMPETENCES REQUIRED FOR ORGANIZATION MANAGEMENT

Snežana Urošević PhD, Momir Grahovac PhD

1 University of Belgrade, Technical faculty in Bor, Bor, Serbia, E-mail: surosevic@tf.bor.ac.rs
2 Ministry of Education, Science and Technological Development of Serbia, Belgrade, Serbia

Summary: The manager is a person who is responsible and accountable for achieving the planned goals of the organization or of the part of it. He is responsible for certain tasks that lead to more effective completion, that the coordination of personnel and administration of the influence to effectively complete the tasks. In general, the main task of managers is to ensure the survival and development, and to ensure the achievement of key objectives and strategic enterprises, which mainly involve the CEO or top managers in the company. At lower levels of task managers to manage specific jobs in a part of the company or certain business functions in-house. Depending on the type of manager, or the level of the place where the manager is, may be defined in different jobs and tasks performed by managers. Managers’ competences can be defined as a collective ability of managers to lead the development of the organization along with the development of their own managerial resources, knowledge and abilities, in a way which helps the organization to fulfill the short term and long term goals. Having in mind the nature of manager’s job, and its level of responsibility, the individuals who are managers have to have certain managerial competences.

Key words: manager, manager development, knowledge, skills, competences

1. INTRODUCTION

Turbulent changes in the global environment require appropriate adjustments and changes in business organizations that decisively influence the shaping of modern human resource management. Especially interesting are the globalization of world economy, technological progress, sectorial changes, changes in the labour market and institutionalization. On the other hand the organization of modern enterprises due to all the pronounced changes in the environment trying to find new organizational forms, new structural solutions that are sufficiently flexible and necessary adaptable (Tanasijević, 2006).

The transition process should ensure that the economic entities in the country in transition to enable the independent market performance, a healthy competitive fight for business in the international field. This implies significant changes in the organizational structure of enterprises, and in the thinking of management and employees in organizations. Key role in this process is on the executive management and domestic owners of capital who need to establish a sound market base of operations, based on continuous improvement of skills of the workforce and productivity.

Changes in the role and functioning of today's business systems, as basic subjects of economic activity, caused a radical change of role and importance of their employees. In this sense, they need new, modern managers who, in conditions of great economic uncertainty, rapid technological changes, the dynamic transformation and change of
ownership, can provide effective exercise of the goals of business and development policy.

Accelerated economic development requires new knowledge, which must be in accordance with the innovations in the environment, because it is one of the essential conditions for survival in today's volatile global markets. The current economic paradigm is called knowledge economy, because the resource is contained in the knowledge becomes the foundation of economic development and a source of wealth. Competitive position of any business system in such a business environment depends on its flexibility, creativity, inventiveness, innovation and focus on the quality of their employees (Arizanović, Krstić and Bojković, 2006).

Unfortunately, the practice clearly points out that most of the countries undergoing transition, and therefore our country are in a situation that can be characterized as a state of chronic crisis. Realistically, this situation is normal and very logical in light of the size and complexity of changes brought by the transition, but it is also unusual because of our crisis period breaks all theoretically known and recognized terms of the crisis (of about 5 years). The organization is in such a situation, is forced to change, to resort to new ways of dealing with problems, to seek new solutions and new mechanisms to organize the company and harmonize its operations. Therefore, the crisis is a natural and expected consequences of each, and successful business. Major crisis brought a dramatic change in which an individual remains the only stable individual to whom it can be counted. In the redistribution of financial strength, resources, decision making, and above all knowledge and human resources, many feel helpless. Experiences in transition, in many ways resembles the current crisis, were able to confirm only those who had the courage for timely action.

The question is whether managers are prepared and armed with knowledge and skills to emerge from the crisis even better and stronger. Operations in times of crisis require taking timely measures. Manager in those times should be fighting for the survival of their companies and effectively manage changes. In times of crisis, organizations with better management easier cope with crisis.

Therefore, the employees and the management have to be ready for changes for which they can prepare. Managers have to have certain knowledge, skills and competences which would help them make adequate business decisions in order to manage the organization successfully.

2. MANAGER DEVELOPMENT

If management is considered as a system of government, or as a group of people who have the authority to manage processes and people, it is necessary that this group is further analysed and defined. These people are managers and are the holders of management as a system of government, and also provide performance management and managerial processes in a company or other organization. Management development, different status manager, became preoccupations of modern enterprises and the primary activity of human resource management. Providing quality managers and their continuing development is a major strategic and competitive advantage. In modern changing and uncertain conditions dominated organizational development in which development manager has a central place. Managers in all these dimensions of organizational development have a key role, because it is logical that organizational development in large part relates to the very development of managers, a change in their knowledge, skills and abilities in general monitoring and implementation of change.
Management development is a process by which managers get the necessary skills, experience and attitudes needed to become or remain successful leaders in their organizations. It is any attempt to improve current or future performance of the management of knowledge acquisition, changing attitudes and increasing the skills and abilities, increasing managerial effectiveness and flexibility. The ultimate goal is to increase current and future competitive advantage and organizational performance. According to the understanding of most authors who have dealt with research management, in order to accomplish the goals and objectives at all levels of management need appropriate knowledge, skills and abilities with appropriate experience. Specifically, expertise and skills include knowledge of the methods and techniques in specific areas, such as finance. Domain of interpersonal relationships involves abilities and skills to work with people, includes incentives to work, creating a suitable atmosphere for the development of group work and directing efforts to achieve the set goals. Conceptual skills include the understanding of the whole business, the relation between the parts among themselves and with the patient, conceptual skills related to understanding the place and organization in the market and its relationships with other organizations (Urošević and Arsić, 2009).

The biggest challenge for nowadays’ organizations is to find and keep the productive manager. The manager’s success and motivation does not depend on material conditions and awards he gets, but also on the conditions for his development provided by the organization. Peter Drucker, the guru of modern management said: The development of the manager is directed towards an individual. His aim is to enable the individual to fully develop his abilities to their finest. Nobody can motivate an individual to self-development. Motivation has to come from within. Superiors and the company, however, can to a great extent discourage even the most motivated individuals and to mislead their development. In order to have a productive development of a managers, superiors and the company have to actively take part in his development and to support and guide him (Drucker, 1977).

Organization’s objective is to, based on its future goals, define what kind of managers are required and with what skills and abilities, and to make a selection of managers which are to be supported based on these plans.

The development of managers can be done by using different programmes and there can be two groups:

- Programmes within the organization,
- Programmes out of the organization.

Programmes within organizations are methods used by organizations for developing their managers based on knowledge and experience of senior managers or methods of job shifting and acquiring knowledge from the fields in which they lack experience. These programmes have their advantages, time wise, cost wise and because of adjustments of managers in comparison to programmes out of house. The disadvantages can occur if the managers’ capabilities acting as mentors are limited.

Out of house programmes are intended for development of managers and they are most often organized at faculties, in other organizations or special agencies. The objective of these programmes is to improve the skills of managers which will help them achieve the organizational goals, and also their personal and professional development. Skills which are a subject of development depend on the level of management to which the manager belongs and there are three levels of manager’s development:

- Beginners level –young managers who have just got the position need the knowledge and experience from the field of management and manager’s role with the focus on special skills;
Medium level- middle management is being developed and the main aim of this level of development is to broaden the views of managers and improving their skills; Advanced level – development of managers with a lot of potential by perfecting their knowledge and skills in order for them to get the top and the most responsible positions in the organization.

It is very important for the organization, after the completion of programmes, to continue supporting managers to further develop, because their development is not finished if a programme finishes, but it represents the process of lifelong learning.

3. MANAGER CHARACTERISTICS

Features are starting qualities that represent the characteristics that an individual possesses. Every manager in general should have very good physical and mental characteristics. A good manager should have the following characteristics and that is diligent, intelligent, honest, ambitious, energetic, enthusiastic, flexible, imaginative, optimistic, courageous, aggressive, strong and stable personality. Peter Drucker (Drucker, 1996) said that the answer to the question what are the characteristics of successful managers is simple. Successful managers and leaders are applying the same eight principal approaches or activities which include:

- They ask, 'What should be done'?
- They ask, 'What is good for business'?
- They have developed and written in concrete action plans.
- They take responsibility for decisions.
- They are responsible for the activities and processes of communication.
- Pay more attention to opportunities rather than problems.
- They organize and lead a successful meetings, and
- They prefer to think and say 'we' rather than 'I'.

The first two activities provide to them a basis to develop knowledge and facts they need. The following four activities, numbered 3, 4, 5 and 6, are enabling them to implement their knowledge in effective and efficient action. The last two activities give them the opportunity to transfer responsibility to the entire organization so that all employees take responsibility for agreed and adopted plans and activities.

In the first step, the successful leader is not asking the question 'What do I want to do?', the real question is 'What should I do?'. The answer is, almost always, needs to be done many different and urgent tasks. This means you must define a priority list. Successful leaders decide to work on one job, one the most important and urgent tasks, the degree of priority. Everything else is left until after the first and most important job. After that, when complete the task with highest priority, then the priority list is reviewed again and again to decide what is most important at the moment to do so. So, the question is 'What must we do now? '. When defining the list of priorities, the effective leader is to decide on what kind of jobs will it work and for which he is best prepared and qualified. Other tasks are delegated to other members of the management team. Therefore, activities are coordinated, delegated in relation to specific knowledge, skills and natural areas within the management team.

The next important question is 'What is good for business?'. So, does the question 'What is good for me? " or "What is good for owners, shareholders, employees and all other interested parties? '. They know that if a decision is not good for the company then it cannot be good for anyone else.
The Action Plan is a document with clearly defined purposes and goals, which still does not mean total agreement for execution. Therefore, action plans must be reviewed, modified and supplemented for each success brings new opportunities, and every failure brings a new danger. The same principle applies here and the changes that come from the business environment - political, economic, social, technological, legal and environmental factors and variable factors that stem from internal factors, such as employees, assets, cash flows, budget, because Plans must have built and provided the flexibility mechanisms. In addition, each action plan must have a system of performance measurement and monitoring of the planned and expected activities.

Leaders take responsibility for the decisions because the decision is not made until the employee does not know: (1) the name of the person responsible for its implementation, (2) the date of execution, (3) the names of people who will one way or another be affected by such a decision, because it is very important that they understand the heart and the consequences of decisions, to agree and that is radically called into question, and (4) who should be notified of the decision taken, just that this decision does not affect them directly. It is important to review the decision from time to time, i.e. to monitor the effects and consequences. This is especially true of critical and important decisions, particularly those relating to the acceptance and promotion of employees.

In the responsibility for tasks and processes of communication, effective leaders are doing everything that employees understand the essence and importance of information and action plans. This means that they share, share and take into account the opinions of the return of its associates, employees, subordinates and superiors. The flow of information is provided from top to base and vice versa. Must also provide cross functional flow of information between the basic management functions. They well know that every employee must have all the information that the deal could not perform effectively, quality and on time. Optimal approach is that every leader and manager should identify the information they need and to insist that he was available in the form and format that best helps in the decision making process.

Successful leaders aren’t burdened with problems, but give the full consideration to opportunities and good possibilities. Of course, the problems were not neglected and they are solved, but priority is given to new opportunities. Each change is treated as an opportunity, not as a threat. The process of change in the business environment is considered and evaluated, but the sets and the real question 'How do the changes we can use for the benefit of our company? '

In the following seven cases, successful leaders are always looking for solutions that are seen as a new opportunity for growth, development and prosperity. These are those situations:

1. The unexpected success or loss, a bad move or failure in their own company, a competitive company or sector and business operations,
2. Identified differences between inputs and outputs in the process, products or services. That is, how and in what way the current situation can be improved and enhanced
3. Innovation in processes, products or services, either within or outside the company or the business sector,
4. Structural changes in industry or market,
5. Demographic changes,
6. Changes in consciousness, value orientations, perceptions and meanings, and
7. New knowledge and new technologies.

Successful leaders must organize successful, short and effective business meetings. Research shows that almost half of each working day is spent in meetings. The
key approach is to correct for any meeting pre-evaluate and define the essence, purpose, length and score.

Successful leaders are increasingly using the word 'WE' instead of the word 'I'. They know that they are responsible for the tasks they perform. This responsibility cannot be divided or to be delegated. They have the power and authority in the organization only if they believe employees. To achieve this level of confidence are successful leaders and managers, think first, what is good and what needs to be firm, and only then, think of themselves, their needs and opportunities (Urošević, Pantić and Dašić, 2011).

No matter what job they do, all the managers and leaders have the same obligation, and that is to bring jobs to the region, or that the results of their work visible. To achieve this, but it must have a high level of organization, the talent that a good plan and delegate tasks, it is also very important and to be ready to take action and move their employees. It is this initiative and the ability to turn ideas into action is essential for success. Managers should not wait for perfect conditions if they want to achieve good results. There is an ideal time to begin working, but it is necessary to take action now and deal with all the obstacles that arise. Each obstacle is in fact a challenge that should win. On the other hand, since each manager is expected to work hard. Although many believe that the job of managers to think about new possibilities and create new ideas, organize and delegate work, they also have themselves to work on the realization of his ideas (the job). The longer you think about ideas, and how or what to do, lose more than they receive. Any idea without action is useless (Slavković).

4. MANAGER KNOWLEDGE, SKILLS AND COMPETENCES

Successful managers need to have excellent formal education which means that they should have finished certain universities, specialist, postgraduate and even postdoctoral studies. However, this kind of education loses its application over a certain period of time since the managerial practice is being exercises in the turbulent environment; business flows are fast and unpredictable, so the knowledge managers have should be constantly innovated, their experience should be enriched by various experiences. Just a half a century ago, people thought that formal education combined with respective working experience was sufficient for somebody to become a manager. Experience and intuition were sufficient for somebody to manage the company successfully. The development of science and technology during 50s spontaneously formed the opinion that permanent education of managers is needed, especially in the production. There is less and less time for managers to adjust to new accomplishments and self-study (Urošević, Pejčić and Sorak, 2013).

Necessary knowledge and skills, the manager can acquire by:

- full-time education,
- additional education and
- practical work.

Generally speaking, a manager should possess the following skills:

- technical skills,
- knowledge in the field of social sciences and
- conceptual.

Technical skills are those skills that allow the manager conducting with the use of specific techniques and procedures. Examples of technical knowledge are:

- Engineering,
- IT,
- accounting and other.
Knowledge in the social sciences, are those skills that enable a manager to lead the staff managed to coordinate their work. This knowledge is also used to analyse the relationship between people, improve communication among individuals, analysis of individual and group interests, conflict resolution and others.

Conceptual knowledge enables managers to analyse and consider the organization as a whole, as a separate system that consists of multiple subsystems and associated with the environment. More broadly, the manager should have a large body of knowledge in various fields such as technology, information, organization, management, planning, finance, marketing, psychology, human resources, law. From the standpoint of modern management theory, a manager should have:

- functional,
- systematic, and
- knowledge in situational analysis.
- The core competencies of managers:
  - control,
  - organizational, and
  - leadership abilities.

Managerial knowledge includes two main categories: knowledge about human behaviour in the organization and knowledge of how organizations work, on one side, and knowledge of the contents of the organizational work, on the other side. Regardless of the organizational level to which they belong, all managers must have a sufficient level of managerial know-how.

Managerial knowledge can be classified in the four domains:

- managerial and operational knowledge - a form of knowledge that includes knowledge of the role that managers should play in planning, managing, controlling and communicating with other people, as well as knowledge of the functional areas of business such as production, marketing, human resources, research and development, etc.,
- managerial technical knowledge - knowledge about methods, processes, procedures and techniques specific to each functional area,
- corporate managerial knowledge - knowledge about the reasons of the organization and knowledge of the stakeholders that the organization creates value,
- managerial knowledge of the environment - knowledge of the providers of external resources, and knowledge about consumer preferences, competition and macroeconomic development.

Operational management special emphasis should be placed on functional knowledge and technical skills, while the corporate knowledge of the environment and less important due to the fact that decisions taken generally do not require prior knowledge of events in the region and the needs of stakeholders. For the middle level of management, technical expertise, but loses its significance cannot be completely ignored, or corporate knowledge. But the manager of the centre line to the right to come to the fore and functional knowledge of the environment. Corporate knowledge and knowledge of the environment are crucial for top management. Given that decisions with long-term implications for the future of the organization of their responsibility for these two domains of knowledge increases (Slavković).

A competency is a term which is becoming increasingly common nowadays, in various disciplines and fields as well and also in management where it represents a key word in the context when organizations are going through transition and changes. The
demands to comprehend competences as something essential for individuals to find their place within the society are increasing.

Competences are defined as sum of knowledge (what is acquired though education), skills (what is acquired though work, at workplace and in everyday experiences in social life), and abilities (possibility to apply those experiences and knowledge) (Argyris, 1993). Competences are also a collection of characteristics which enable us to be successful when interacting with others within the community. Competences have a very important role for individuals concerning his professional and personal development. The collection of numerous competences is a necessity of every individual in order to survive in the contemporary work market. A competency envisages:

- Cognitive competence (tacit knowledge) – which encompasses the use of concepts and implicit knowledge generated through experience;
- Functional competence (ability, know how) – required for performing a certain task;
- Personal competence – related to one’s behaviour in a certain situation;
- Ethical competence – encompasses personal and social values.

If we were to discuss the structuring and defining of competences, then competences can be divided on objective competences and generic competences. Objective competences represent competences related to a special field or study programme. They are comprised of knowledge and skills acquired though education. Generic competences or transferrable competences, represent a collection of knowledge, skills and responsibilities which can be widely used within various fields. Generic skills have a special role in generic competences. Generic skills are skills which support lifelong learning, and apart from literacy and mathematical skills as basic skills, encompass communication skills, problem solving skills, teamwork skills, decision making skills, creative thinking, computer skills and continuous learning skills (Bjornavold and Tissot, 2000). Generic competences can be:

- Instrumental competences are abilities of analysis and synthesis, organization and planning, collecting and managing information, verbal and written communication in mother tongue, knowledge of a foreign language, problem solving, decision making, computer literacy, understanding and the use of ideas.
- Interpersonal competencies are individual abilities with which he expresses feelings and critical thinking and self-criticism. Also, interpersonal skills, teamwork and work in interdisciplinary teams, international environment and respecting differences and multiculturality, ethics.
- Systematic competencies are abilities and skills which encompass the whole system. Systematic competencies require previously acquired interpersonal and instrumental competencies. Systematic competencies are the ability to apply knowledge in practice, ability to learn, investigate, adapt to situation, independent work, creativity, leadership, initiative and entrepreneurial spirit, etc.

European Commission Directorate General for Education and Culture Implementation of Education and Training in 2010 defined eight key competences which each individual should have by the end of his schooling in order to continue developing and improving his competencies. EU lists the following key competencies:

- Communication in mother tongue,
- Communication in a foreign language,
Basic competencies from the field of mathematics, natural sciences and technology,
Digital competencies,
Learn how to learn,
Interpersonal and civic competencies,
Initiative and entrepreneurial spirit,
Cultural competencies.

These key competences represent multifunctional knowledge, skills, abilities which individuals need for achieving personal fulfilment, development, professional mobility and employment. Achieving these key competences enable the realization of three basic tasks of every individual:

- Personal fulfilment and professional development (cultural capital),
- Active citizenship (social capital),
- Employment (human capital).

Manager’s competences can be defined as collective abilities of a manager required for leading the development of the organization through one’s own coordinated development of managerial resources, knowledge and abilities in a way which helps the organization achieve short term and long term goals (Sanchez, 2003). Having in mind the specificity of manager’s job and the level of responsibility, the individuals doing the job need to have certain managerial competences. A manager should have the following competences:

- Administrative competences,
- Monitoring competences,
- Communicative competences,
- Cognitive competences.

One of the required competences for managers is the communication competence. It envisages abilities to express thoughts, feelings, facts in written form and verbal form. Also, it includes the skill of listening and objective comprehension of information, ability to take part in the conversation about everyday subjects, ability to read different kinds of texts and reading materials. Also, it encompasses the sensitivity to cultural differences and interest in international communication. The importance of the communicative competence was presented by Hederson in his research which involved 500 managers. The conclusion was that the communicative competence had significantly contributed to the productivity and content of the employees (Henderson, 2008).

Competences have a very important role in the process of creation of a successful career. They enable an individual to advance within his profession and career, to achieve affirmation within the society and make contribution to the community. By developing and increasing the number of one’s own competences an individual at the same time makes the base for his own development and for improving his career. The career success can be viewed as subjective and objective success. In objective success the main factor for success are indicators such as position in the organization and achieved promotion, while the subjective success is measured through personal perception of employees and their personal success based on the estimate of personal achievements and possible outcomes in the future (De Vos, De Hauw, and Van der Heijden, 2011).
5. CONCLUSION

Doing business in contemporary conditions requires certain measures. The successful economy requires of managers to adjust very fast and easily to the shifting needs of the world around them. Managers should fight for the survival of their companies, provide required logistics though knowledge and experience which would help achieve efficient change management and the required rationalization. In order for the managers to fight for the success of their companies and to seriously manage the companies, they need managerial skills which are usually directed towards human resource management, motivation, leadership, teamwork, communication, but the difficulty and the responsibility of their jobs lie in the efficient everyday decision making. The managers need to have wider knowledge and skills, flexibility, multidisciplinary approach, teamwork, problem solving and project management skills. Manager’s competences play an important role in his professional and personal development and the generation of numerous competences is a must for each manager so that he and his organization can survive in today’s market. Of course, he needs knowledge from the field of economy as well; the understanding of micro economy, theory of cost management, economic analyses, accounting and finance management. Also, he needs to have skills which any manager should have in order to lead his organization successfully – in prosperous periods, but also in the times of crisis.

REFERENCES:


