

COMPETENCES OF THE TOP MANAGERS IN REPUBLIC MACEDONIA

KOMPETENCIJE TOP MENADŽERA U MAKEDONIJI

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Abstract: *Competence is the ability to perform a specific task, action or activity. Competence in human resources management represents standardized request of an individual, to properly perform a specific job. Competence is a combination of knowledge, skills and behaviors that are used to improve performance; or quality and adequate qualification, which aims to successfully perform a specific job.*

Basic shortage of the organizations in the Republic Macedonia is the absence (or not having) of a functional system for strategic management, even in circumstances where the organization has developed and defined competitive strategies.

Organizations are faced with a problem which is defined as: inadequate access to strategic management, expressed through a lack of competent strategic managers.

The practical aim of the research is reflected in the applicability of the offered range in the daily work of top managers. Accordingly, this research has three main practical objectives: 1) the top management to indicate the importance of strategic management and the implications on the performance of organizations, 2) building the professionalism of top level management, 3) simultaneously justify the importance of investing in top managers, which will result in high return on invested capital.

Key words: *Top managers, competences.*

Sadržaj: *Kompetencija je sposobnost obavljanja određenog zadatka, akcije ili aktivnosti. Kompetencija u upravljanju ljudskim resursima predstavlja standardizovani zahtjev pojedincima za pravilno obavljanje određenog posla. Kompetencija predstavlja kombinaciju znanja, vještina i ponašanja i odgovarajućih kvalifikacija koji se integralno primenjuju u smeru poboljšanja performansi ili kvaliteta, odnosno uspešnog obavljanja određenog posla.*

Jedan od najčešćih problema sa kojim se suočavaju poslovni subjekti u Republici Makedoniji jeste odsustvo funkcionalnih sistema za strateško upravljanje, čak i u uslovima u kojima su isti definisali i razvili konkurentne poslovne strategije.

Poslovni subjekti se često suočavaju s problemom koji se može definisati kao: nepravilan pristup strateškom upravljanju, koji se često manifestuje kao odsustvo kompetentnih strateških (top) menadžera.

Praktičnost cilja ovog istraživanja ogleda se u realnim mogućnostima praktične primene ponuđenog modela u svakodnevnom radu top menadžera. Samo istraživanje ima tri glavna praktična cilja: 1) ukazati najvišem rukovodstvu poslovnih subjekata na važnost strateškog upravljanja poslovnim subjektima i afirmisati njegov uticaj na njihovu konkurentnost, 2) inicirati pozicioniranje i razvoj profesionalnih top menadžera u poslovnim subjektima, 3) opravdati važnost ulaganja u top menadžere kao osnove visokog intenziteta i brzog povratka uloženog kapitala.

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Ključne reči: *Top menadžeri, kompetencija.*

1. INTRODUCTION

Competency development can improve attention on core business' objectives and values, such as improving services to customers. It can also help build more flexible working conditions. The application of competencies in the workplace has helped managers to become more creative in meeting job requirements and will allow them to quickly adapt to changes in the job position. Finally, competences encourage teamwork by promoting cooperation and exchange of experiences, knowledge, skills and abilities. The four general competences of top managers are:

1. Significant competence: Identify the purpose of the organization or community and work within the desired future in accordance with the values of the organization or community.
2. Competence connection: Creating and observing the relationships with stakeholders of the primary tasks.
3. Competency learning: Creating and searching for situations that offer the opportunity to experiment with a set of solutions that provide solutions to their primary tasks and reflect on the experience.
4. Competency changes: Acting for new ways to promote the goal of the organization or community and enable desired future to come.

Professional (specific) competencies are identified through job analysis tasks, using techniques by keeping of operating records through sampling. (Robinson, M. A., 2010). Focus competences (core competences of each profession) are important to realize the strategic objectives of the organization. (Robinson, MA, Sparrow, PR, Clegg, C., & Birdi, K., 2007)

Competencies are characteristics which are lead with an extraordinary performance in a specific job role or function. The model of competence refers to a group of competencies required in a particular job and usually counts 7-9 in total. The number and type of competencies in the model will depend on the nature and complexity of the work, along with the culture and values of the organization they work happens.

Managerial work is complex and requires every manager competencies for its execution. The relative importance of each competency varies according to the level of management to which the manager is hired. The manager can not concentrate his effort only a competency or a few of them. He needs to combine competencies in proportions depending on the level of management.

In large companies where there are numerous business sectors, the role of operations manager is very important for the functioning of the entire system. The sectors are numerous and can have no mutual relationship, but are important for the system. There is no company in the world that could successfully function without this guy. With increasing competition and globalization trends, the dynamics of the operation of companies is getting more and more intense. Therefore the intensity of the work of the CEO (Chief Executive Officer), dramatically increases and requires great dedication and time. Since its expected time passes more and more out of the company, there should be someone who will take responsibility for monitoring and controlling its operations on a daily basis.

2. RESEARCH METHODOLOGY

The **subject of this research** is to define common and specific competencies of top managers in Macedonia, i.e. the impact of competencies as an important factor for successful and professional execution of the strategic functions.

Some of Macedonian businessmen that have formed business after the process of transition had begun, often tend to fall into a trap when the growth of the firm exceeds their managerial and human capacity and then have a problem to delegate responsible tasks to someone else, believing that no one could do the job as they would have done. Even if one decides to appoint an operations manager, always should see it a person who previously worked in the company and in which he/she should have enormous confidence. So often it happens that one person can merge functions of a general manager or chief executive (usually the owner and founder of the company) and Operations Manager.



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Operations managers by definition are not good general managers. Operatives that set the general manager position are torn between self and others; running the work of other employees because they think they can do better. Who do not have time for planning and control, and due to poor management company does not develop in the desired direction. This manager is constantly frustrated because it performs half the work of others and has no time to plan the day and to verify activated.

Methodological objective of the study is: the procedures for measuring and determining their validity, verification of used research techniques and measuring instruments as well as developing them with new components and elements for examining the impact of competencies on the success of top managers.

The practical aim of the research is reflected in the applicability of the offered range in the daily work of top managers. Accordingly, this research has three main practical objectives:

1. the top management to indicate the importance of strategic management and the implications on the performance of organizations,
2. building the professionalism of top level management,
3. Simultaneously justify the importance of investing in top managers, which will result in high return on invested capital.

From research should arise following **results**:

1. to confirm scientifically based assumptions about the existence of common and specific competencies of top managers in the manufacturing and service organizations;
2. to extract new insights in the context of the current situation in the Macedonian top management.
3. have some indications about the real situation in the organizations in terms of the relation of common and specific competencies.

3. HYPOTHETICALLY FRAMEWORK AND METHODOLOGY APPROACH

General hypothesis

Top managers in the country are equipped with specific competencies required for successful and professional performance in the workplace.

Special hypothesis:

X-1. Top managers have common competencies needed to perform tasks, work activities in the context of work.

X-2. Top managers have the required level requirements (knowledge, education, skills, abilities and work style) to meet to successfully perform their job.

X-3. Specific competencies top managers are specific for each type of activity.

Research methods

The research is based on positivistic approach and the scientific method in order to produce quantitative data and, if possible to generalize conclusions. Basic scientific method accepts a hypothetical-deductive method that unites inductive (creative) and deductive (conclusive) approach. Induction is the process of generating ideas that then use the deduction tested, accept or reject, partially or completely (Preece, 1994).

The research used following scientific methods:

- descriptive-critical method;
- quantitative method;
- method of comparative analysis;
- method of deduction and induction;
- method of synthesis.

According to type, this research is empirical research. Empirical data used in the research are of primary sources. Primary empirical data obtained from questionnaires distributed to respondents (top, operations and line managers) and checklist of the work of top managers their jobs.

Sample of respondents

Determination in the sample to include organizations of production and services is to include more activities, first, because of the possibility to extract some general observations regarding the subject of research at the national level and, secondly, through a comparative analysis to see differences (specific competencies).

The division of organizations by sector of activity classification was made according to the State Statistical Office. It covers various types of manufacturing and service organizations. An additional criterion for selection of the organizations is done according to the number of employees' indicator (> 30).

The collection of data from the researched organizations began distributing the questionnaire to the top management, operational management and line management which may include questions that will serve as control variables in the survey:

1. organization size (measured by number of regularly employed full-time);
2. years of existence of the organization (operated from the date of establishment);
3. Ownership structure: public company (state-owned) or private company (foreign investor and shareholding company).

4. ANALYSIS AND INTERPRETATION OF RESEARCH RESULTS

All data were processed using SPSS statistical program which numerical indicators in the best way corresponds to what the methodology is defined as an indicator of a phenomenon. 224 respondents were surveyed, of which 40 top managers, operational managers and 104 line and 80 managers - (supervisors, controllers) who were potential neutralizers of possible occurrence of socially desirable answers answered by the top management.

o Differences in competence requirements and the soup samples of top managers determined by gender

Inspection in the review applied by t-test (t-test), No.1 in performance assessment in the area competencies and requirements for top managers determined by gender (male / female), not found statistically significant unlike the level of 0.05.

	female				
	male	Mean	Std.Dev.	t	Sig
Competencies					
Working tasks	female	3.424	0.356	-1.434	0.219
	male	3.658	0.212		
Working activities	female	3.380	0.295	-0.814	0.421
	male	3.477	0.244		
Context of work	female	3.560	0.260	-0.204	0.840
	male	3.574	0.126		
Requirements					
knowledge /	female	3.654	0.224		

education	male	3.625	0.240	0.258	0.798
required skills	female	3.460	0.270		
	male	3.506	0.225	-0.416	0.680
abilities	female	3.200	0.549		
	male	3.116	0.299	0.041	0.602
working style	female	3.420	0.559		
	male	3.706	0.225	-1.131	0.319

Table 1: Differences in competence among top managers determined by gender

○ **Differences in competence requirements and the soup samples of Top managers determined according to seniority**

Review applied by t-test, Table. 2 indicators in the assessment area competencies and requirements for top managers determined according to seniority, ascertained statistically significant difference at the level of 0.05 in four indicators of 7 (one in the area and three competencies in the area requirements). Further on will be analyzed only indicators that are found statistically significant differences.

Inspection in Table No.16 may be noted that the values obtained in the first part of it tell us about the equality of variance of Leven's test. According to him, the significance is greater than 0,05 (Sig. = 0,536) and are considered as indicators of the first row of the table (Equal variances assumed). T-test of independent samples which compares between the competence of top managers (b. Competencies required to execute the work activities), noted significant differences between the SUP sample of respondents with experience of 1 to 10 years with soup sample work experience 11 years and over with significance of the values obtained $t = 3,656$ and Sig. = 0.001. Median differences between the two groups are -.259. Limit the probability intervals of 95% ranging from -.402 lower (Lower) do -.115 upper (Upper) borders.

According to table 3 can be noted that the values obtained in the first part of it tell us about the equality of variance of Leven's test. According to him, because the significance is greater than 0,05 (Sig. = 0,482) are considered indicators of the first row of the table (Equal variances assumed). T-test of independent samples which compares between the competence of top managers (a. Requirements, knowledge / education), noted significant differences between the SUP sample of respondents with experience of 1 to 10 years with soup sample of respondents with experience more than 11 years with the significance of the values obtained $t = -2.821$ and Sig. = 0.008. Median differences between the two groups are -.200. Limit the probability intervals of 95% ranging from -.343 lower (Lower) to -.056 upper (Upper) border.

In the table 4 it may be noted that the values obtained in the first part of it tell us about the equality of variance of Leven's test. According to him, because the significance is greater than 0,05 (Sig. = 0,012) are considered indicators of the second row of the table (Equal variances assumed). T-test of independent samples which compares between the competence of top managers (c. Requirements, skills), noted significant differences between the SUP sample of respondents with experience of 1 to 10 years with soup sample of respondents with experience more than 11 years with the significance of the values obtained $t = -3.265$ and Sig. = 0.001. Median differences between the two groups is -.200. Limit the probability intervals of 95% ranging from -.512 lower (Lower) to -.120 upper (Upper) border.

In the table 5 it may be noted that the values obtained in the first part of it tell us about the equality of variance of Leven's test. According to him, because the significance is greater

than 0,05 (Sig. = 0,005) are considered indicators of the second row of the table (Equal variances assumed). T-test of independent samples which compares between the competence of top managers (Mr. Requirements, working style), noted significant differences between the SUP sample of respondents with experience of 1 to 10 years with soup sample of respondents with more experience 11 years with the significance of the values obtained $t = -3.450$ and Sig. = 0.002. Median differences between the two groups are -.240. Limit the probability intervals of 95% ranging from -.419 lower (Lower) to -.061 upper (Upper) border.

		Work experience		t	Sig	
		1-10/11+years	Mean			Std.Dev.
Competencies						
Working tasks	1-10		3,5532	,27207	-1,591	,120
	11+years		3,7533	,16039		
Working activities	1-10		3,3680	,23043	-3,656	,001
	11+years		3,6267	,19074		
Context of work	1-10		3,5520	,13880	-1,160	,253
	11+years		3,6067	,15337		
Requirements						
knowledge / education	1-10		3,5532	,22334	-2,821	,008
	11+years		3,7533	,20639		
required skills	1-10		3,4720	,24242	-1,005	,321
	11+years		3,5467	,19952		
abilities	1-10		3,0080	,34778	-3,803	,001
	11+years		3,3240	,17610		
working style	1-10		3,5800	,33665	-3,450	,002
	11+years		3,8200	,06761		

Table 2: Differences in competencies in top management determined according to seniority (1-10 / 11 + years)

Independent Samples Test									
	Levene's Test for Equality of Variances		t-test for Equality of Means						
	F	Sig.	t	Df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
								Lower	Upper
Equal variances assumed	,341	,563	-3,656	38,000	,001	-,259	,071	-,402	-,115
Equal variances not assumed			-3,835	34,032	,001	-,259	,067	-,396	-,122

Table 3: Competencies required to execute the business activities between the soup samples with experience of top managers

Independent Samples Test									
	Levene's Test for Equality of Variances		t-test for Equality of Means						
	F	Sig.	t	Df	Sig. (2-tailed)	Mean	Std. Error	95% Confidence	
								Lower	Upper

					tailed)	Difference	Difference	Interval of the Difference	
								Lower	Upper
Equal variances assumed	,504	,482	-2,821	38	,008	-,200	,070	-,343	-,056
Equal variances not assumed			-2,878	31,511	,007	-,200	,069	-,341	-,058

Table 4: Requirements and) knowledge / education, among soup samples of long-term experience working with top managers

Independent Samples Test									
	Levene's Test for Equality of Variances		t-test for Equality of Means						
	F	Sig.	T	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
								Lower	Upper
Equal variances assumed	7,026	0,012	-3,265	38,000	0,002	-0,316	0,097	-0,512	-0,120
Equal variances not assumed			-3,803	37,237	0,001	-0,316	0,083	-0,484	-0,148

Table 5: Requirements, abilities, between soup samples with experience of top managers

Independent Samples Test									
	Levene's Test for Equality of Variances		t-test for Equality of Means						
	F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
								Lower	Upper
Equal variances assumed	8,952	0,005	-2,715	38,000	0,010	-0,240	0,088	-0,419	-0,061
Equal variances not assumed			-3,450	27,125	0,002	-0,240	0,070	-0,383	-0,097

Table 6: Request, working style, between the soup samples with experience of top managers

From the inspection in the table 7 may be noted that the top managers, the coefficient of multiple correlation or correlation of the system prediction criterion variables was $R = .763$, and the prediction coefficient $R^2 = .583$, which means explains the common variability with about 58%. This connection was significant at the level of $p = .000$ (Sig = .000). The remaining 42% in explaining the total variability remains of other factors and indicators that are not the subject of our research. Although the entire system recorded a statistically significant association with the criteria, individual positive statistically significant association of low level indicator and noted). Application of knowledge / education (BETA = 0,258), which is significant at the level of p -level = .034. Individually statistically significant negative impact of the low level is noticed in the indicator). Browsing capabilities (BETA = 0,345), which is significant at the level of p -level = .021. Individually positive statistically significant

impact of high levels observed in the indicator d). Request for working style (BETA = 0,746), which is significant at the level of p-level = .000.

Top managers	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
a. knowledge / education	0.264	0.120	0.258	2.212	0.034
b. required skills	0.244	0.130	0.229	1.881	0.068
c. abilities	-0.252	0.104	-0.345	-2.415	0.021
d. working style	0.618	0.115	0.746	5.397	0.000
R	R Square	Adjusted R Square	Std. Error of the Estimate		Sig.
0.763	0.583	0.535	0.165		0.000

Table 7: Relationship between competence and requirements for top managers

This research defines a model of competence (common and special competences) of top managers in the country which is a basis for the establishment of national standards for strategic managers. The basis of this model is the balance between the necessary competencies and requirements to meet top managers as criteria.

5. CONCLUSION

Based on the results and analysis can define the following conclusions:

- According to the results are not determined statistically significant differences in competencies and requirements among respondents determined by gender (male / female) for top managers.
- Determined statistically significant differences in competencies and requirements among respondents determined according to seniority among top managers.
- According to the results determined statistically significant differences in the assessment of the competencies required for the implementation of tasks and activities between the three levels of managers (top managers, functional managers and line managers).
- According to the results determined statistically significant differences in the assessment of the fulfillment of the requirements between the three levels of managers (top managers, functional managers and line managers).
- Established a statistically significant association between competencies required to execute the tasks and activities as a criterion in meeting the requirements of the system as predictors among top managers.

If you take into account that this type of research is now conducted on the territory of the Republic Macedonia, the benefits and value of research are multiple. Direct users results:

- Top managers, management teams in organizations, operations managers, leaders and line managers.
- Educational institutions, research institutes and researchers, independent consultants who study issues of strategic management.

- Undergraduate and graduate studies in strategic management and other organizational sciences touching the competence of top managers.

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