

The Relationship Between Managers' Competencies and Employees' Productivity in Fars Chemical Industries Company, Shiraz, Iran

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Abstract: This study aims to assess relationship between managerial competencies of managers and employees' productivity, in Fars Chemical Industries Company, Shiraz, Iran. In this research, managerial competencies, as independent variable, was measured from two aspects, managers' characteristics and skills. Also, productivity of employees, as dependent variable, was assessed from four aspects those are motivation, work style improvement, organizational commitment and optimum use of organization's resources. Research's conceptual model was extracted from Robbins' [1] organizational behavior pattern and Katz's [2] model in order to measure managers' characteristics and their skills, respectively. The survey's method is descriptive and correlative. Results showed that there are significant relationships between: managerial skills and optimum use of organization's resources; managers' characteristics and optimum use of organization's resources; managers' characteristics and work style improvement; and managers' characteristics and employees' motivation. Results of regression also indicated that the impact of managers' characteristics on employees' productivity was much more powerful rather than managerial skills.

Key words: Employees' productivity • Managerial competencies • Managers' characteristics • Managerial skills

INTRODUCTION

In all organizations, the most important principle for reaching effective purposes is management [3]. If efficient, competent, skilled, experienced and completely aware managers are existed in organizations, the success of organizations will be guaranteed in reaching their purposes [4]. Jamieson (1980) declares that we shouldn't accept the managers without having competencies and necessary competences performing extraordinary works and creativity [5]. From the middle of eighty decade, the development of managerial competencies was considered by organizations. The important reason of this belief was that the development of managerial competencies has some benefits for organization and this belief is still existed [6]. Since, today, the part of employees' productivity in organizations has become so important and regarding this guess that managerial competencies

can be an important factor in employees' productivity, this research tries to have a step in order to improve productivity of human force through giving an image of existed condition for responsible ones and employees of Fars Chemical Industries and also it displayed the most vital role of managerial competencies in the organization.

Literature Review

Conceptual Background

Human Resources Productivity: The factor of working force and its productivity is expressed as the most important and effective variable in the society for reaching economical development purposes. In other words, each kind of physical investment is usefulness without having useful and effective working force factor [7].

About productivity concept; different definitions have been expressed but the common aspect among them is that machineries, method and tools can not improve

productivity but human can. Because, all the attempts are for reaching ideals which meet material and spiritual necessities and productivity improvement has a fundamental role both for living and spiritual purposes [8]. Productivity phenomenon has caused some changes in management as a way of thinking and a coordinated system. This changing is really interpreted from passing a traditional – scientific management to a new and dynamic management based on human nobility. Therefore, productivity management is a human movement which is combined with necessary tools such as machine, investment and primary materials in order to reach the determined purposes [9].

Not paying attention to human force productivity not only causes the effectiveness and efficiency of organization to be decreased but also it causes the events and dissatisfaction of human force to be increased. So, for increasing productivity in human force, firstly the preventing and facilitating factors should be recognized in increasing efficiency and, than, some actions should be done for decreasing the preventing factors and improving facilitating ones [10].

Competency: So many knowledgeable persons have given multiple definitions about competency which are pointed out in the following: Oxford dictionary (2003) defines competency as the power, capability and capacity for doing a duty. Cave and McKeown [11] defines competency as the result of using knowledge and skill appropriately. In other words, “competency” equals “skill” plus “knowledge”. Marrelli [12] knows competencies as the measurable human abilities which are necessary for an effective performance [13]. Mirabile [14] says: competency is knowledge, skill and capability with related characteristics and high performance in one job. Boyatzis [15] declares that competency emphasizes characteristics and basic characteristics of a person completely. These characteristics can be motivation, behavior, view, skill and imagination of the person of social role and or they can be a set of knowledge that a person uses for doing works and activities. Jackson and Schuler [16] define competencies as skills, knowledge, capabilities and other characteristics which a person needs for doing a job effectively. Bonder [17] knows competency as every knowledge, skills, capabilities or personal quality which is shown via behavior and causes the service-giving to be sublime.

Individual Characteristics and Characteristics of Managers: Robbins [18] represents a general pattern,

under the effect of a necessity view, in three levels "individual, gregarious and organizational" for organizational behavior. He supposes that the levels of organizational behavior as the independent variables affect on a series of dependent variables. These variables which are considered as the effectiveness factors of organization are: productivity, absence rate, employees' movement, occupational (job) satisfaction and etc. He believes that every person who enters the organization brings a set of his personal characteristics, experiences and backgrounds which affect his way of function in the organization. Robbins classifies these factors under the title of "individual level" in the organizational behavior and he considers the independent variables in individual level including of characteristics, personality, values, view, understanding, motivation, learning and individual decision-making [19].

In this research, the effect of five characteristics: values, views, motivation, personality and capabilities- as the individual characteristics of managers- has been studied on the productivity range of employees.

Managers' Skills: Katz has investigated skills of a successful manager in an essay in 1974 and has given threefold skills for the managers as following:

- Technical skill: Ability for productivity from technical knowledge, methods and processes in order to do duties
- Human skill: Ability for working with people
- Cognitive skill or conceptual skill: power of understanding an organization through a general unit.

This model is a demanding model which can be used in different levels of the organization [20]. On the basis of Katz opinion, technical skill is important in low levels of management, cognitive skill is important in high levels of management and human skill is important for three levels of management [21].

Increasing complexity of society, science progress, technology, necessities and development of organizations cause skilled and efficient managers to be used in organizations, because the intellectual efficiency of managers causes the organization to be improved [22]. The effectiveness and efficiency of managers also needs the management skills and lack of these skills decreases the probability of managers' success and, finally, the organizations' success will be decreased. Therefore, each

one of skills is important for doing the management duties [23].

Experimental Literature: McClelland [24] (the remarkable psychologist of Harvard university which is famous in describing the idea of "competency" in human resources literature) in 1973, showed that the intelligent test predicts the person's success in his/her job weakly, so he suggested that competencies are the criterion for selection. From the viewpoint of McClelland, competency includes three main specifications:

Including the sub-structural characteristics of a person. It means the personal and fundamental specifications of a person which cause suitable behaviors in conditions and performing different duties to be occurred and includes the following five categories:

- Physical characteristics: such as vision
- Motivation: Will and thought which cause an action to be done
- Views and mental images of the person about his/her Knowledge
- Person's information in a determined working field
- Skills: ability for doing mental and physical duties.

Characteristics of recognizing the relation of cause and effect, that is, competency causes an action to be done, predicted or caused.

The characteristic of evaluation and measurement standard of competency and reaching to the superior function, for accomplishing this action, determined and measurable standards should be defined for each competency in the real world. In fact, he proved that behavioral and personal characteristics have higher effect proportionate to skill tests that which person was successful in the job function.

Boyatzis was one of the other pioneer researches, a person who had focused especially on the significance of managers' competencies. Based on studies done by Boyatzis in 1982, Schroder developed a comprehensive pattern. In Schroder's pattern, five specifications are pointed out as the factor of manager's competency. These five specifications are: knowledge, abilities, motivation, values and management style [25].

In 1982, McClelland, Rich and Boyatzis represented the first model of competency. Their definition of competency is: basic characteristics of an

individuals' motivation, characteristics, skill, social role and Knowledge set which he uses for doing his duty [26].

Byham [27] in his research believes that "determining the competency model of manager's" as the first and most important step in designing the management development programs. According to him, this step is like the bottom stone of the development programs.

In order to recognize educational necessities of managers and reach the competency or ideal condition, they should be evaluated regarding their competencies. This action determines that each person is located in which place in comparison to necessary managerial competencies for this evaluation, Byham and Moyer [28] express three important methods in their research which are:

- Evaluation by an experienced manager
- Intensive evaluation by evaluation institutes
- Evaluation from several viewpoints which is done by the co-workers (360-degree feedback).

Bourgault *et al.* [29] recognized fourteen competency aspects which are expected to be useful for managers in future on the basis of three organizational variables (reporting level, place of work or post, the quiddity of organizational unit activity), they are:

political instinct - operational and strategic skills - foresight and innovation - complexity management - continuous learning - conformity – leadership - emotional intelligence - technical capability – operation management – risk-taking and working with risk - cooperation and networking - opening for new management styles - human resources management - knowledge management - performing moral values - communications and negotiation.

Mozaffari *et al.* [30] performed a research with aim at determining the skills and competencies which have the significant role in succeed and effectiveness of managers in all three levels of hierarchy. The results showed that all managers of threefold levels need to all mentioned skills and competencies more than mean. Also, results of multivariate correlation coefficient showed that there are significant association among triple managerial skills and competency dimentions.

Yeganegi [31] performed a case-study with the purpose of determining impact of managers' competencies on their effectiveness based on Boyatzis and Lutanz's model. Mangerial competencies had two dimensions,

individual and social. The first dimension consisted of knowledge, skills, characteristics, attitudes and insights. The second one included occupational and general credit. Also, effectiveness was assessed by two criteria, job satisfaction and commitment. The results showed that there are significant correlations between all dimensions of individual and social competency of managers except managerial skills, characteristics, attitudes and insights with their effectiveness.

Zahedi and Sheikh [32] produced four main dimensions, values, knowledge and intelligence, characteristics and skills as dimensions of governmental managers' capability. Then they employed Delphi method and used questionnaire in two sessions and consulted with experts and high performance managers to examine validity of their pattern. Results of mean values in each dimension showed that all of them were accepted with the score of 4 or more. Knowledge and intelligence, skills, characteristics and values were recognized as the most impactful dimensions of governmental managers' capabilities in Iran, respectively.

Izadi [33] assessed procedure of election and selection of managers by four dimensions: managers' characteristics, behavioral patterns, skills and being native or non-native and their influence in employees' efficiency from point of view of motivation and effort. Results showed that employees' motivation and effort is affected by managers' human skills and this skill is crucial in comparison with other skills.

Research Hypotheses: The present research has one main hypothesis and eight secondary hypotheses as the followings:

Main Hypothesis:

H1. There is a meaningful relation between the managerial competencies of managers and employees productivity of Fars Chemical Industries.

Subsidiary Hypotheses: Independent variables are based on Robbins' organizational behavior pattern and Katz's managers' skills model includes attitude, value, motivation, characteristics and capabilities. Employees' productivity is dependent variable of the research includes motivation, work style improvement, organizational commitment and optimum use of resources.

- H2. There is a meaningful relation between the managers' skills and employees' optimal usage from organization's resources in Fars Chemical Industries;
- H3. There is a meaningful relation between managers' skills and increasing of organizational commitment of employees in Fars Chemical Industries;
- H4. There a meaningful relation between the managers' skills and working style improvement in the Fars Chemical Industries;
- H5. There is a meaningful relation between the managers' skills and increasing of employees' motivation in Fars Chemical Industries;
- H6. There is a meaningful relation between the managers' characteristics and optimal usage of organizations' resources of Fars Chemical Industries;
- H7. There is a meaningful relation between the managers' characteristics and increase of organizational commitment in Fars Chemical Industries;
- H8. There is a meaningful relation between managers' characteristics and working style improvement in Fars Chemical Industries;
- H9. There is a meaningful relation between managers' characteristics and increasing of motivation in Fars Chemical Industries.

Methodologies: This research is practical from the view point of purpose and is descriptive-surveying from the viewpoint of collecting and analyzing information. For collecting information of the research literature section; the library method and for collecting statistical data; the field method were used respectively. The statistical society of the present study includes all the employees, managers and experts of the Fars Chemical Industries company except workers which their number is 100 persons. Since the number of statistical society persons is limited, there is no necessity to the statistical sample and the census method has been used.

For collecting data, two questionnaires have been used. The first questionnaire is taken from a questionnaire that Izadi [33] has used. In his research, the selection and appointment system of managers has been investigated from four aspects: managers' characteristics, behavioral patterns of managers, skills of managers and native and nonnative condition of managers by affecting the efficiency of employees from two aspects: motivation and attempt of employees. The second questionnaire is taken from the questionnaire that Khodaei [34] has used. In his research, productivity of employees has been investigated before and after training course during

military service from four aspects: motivation, improvement of working style, organizational commitment and optimal usage of organization's resources.

In the present research, regarding the research variables and their aspects, some parts of the two mentioned questionnaires have been used and include two parts. The first part of the questionnaire is consisted of questions related to the managers' competencies which include 28 questions and the 20 remained questions are related employees productivity. For answering the questionnaire, the five-question of Likert scale has been used and the respondents show their opinion regarding each phrases of "very low, low, moderate, high and very high"; so that they are in priority from 1 to 5. In this research, the Cronbach Alpha method has been used in order to measure the constancy of the questionnaire which has been obtained for questions related to the managers' competency equal to 0.618 by using statistical software SPSS and for productivity variable of employees; it was obtained 0.670.

For analyzing the obtained data, the Spearman Correlation Test has been employed for determining the correlation range between dependant and independent variables, the linear regression for investigating the effect of manager's competency's aspects on employee's productivity. The average test of a society for investigating the ideality or lack of ideality of research variables' aspects on employees' productivity have been used.

RESULTS

The eight subsidiary hypotheses were tested the relations between dependant and independent variables. These relations have been investigated by using Spearman correlation test and then multifold regression method. The brief of results are as the followings:

- There is a meaningful relation between the skills aspects and managers' characteristics by considering the aspect of optimal usage of employees from organization's resources;
- There is meaningful relation between the managers' characteristics' aspects and working style improvement of employees;
- There is a meaningful relation between the manager's characteristics' aspects and increasing of employees' motivation;

- There isn't any meaningful relation between the skills' aspects and managers' characteristics through increasing organizational commitment of employees;

Table 1: Results of Regression Models

Regression Model	R	R Square	Mediated R Square	Standard Deviation
1	0.365 ^a	0.133	0.115	7.63003
2	0.266 ^b	0.135	0.117	7.63006

- There is no any meaningful relation between the aspect of managers' skills and aspects of working style improvement and increasing of employees' motivation.

Between the two dimensions of managers' competencies, characteristics of managers is entered to the model at first step and then managerial skills is entered. Results of each step are shown in Table 1.

As it could be seen, in the first step of regression model, determination coefficient is 0.133 that means%13.3 of variation of employees' productivity is determined by managers' characteristics. With adding the second step into the regression model, determination coefficient had insignificant change. It means dimension of managers' characteristics has eye-catching share to determine employees' productivity in comparison with managerial skills and other independent variables which has very low impact on the dependent variable.

CONCLUSION

The purpose of this study is to study and recognize the effect of managerial competencies of managers on employees' productivity in Fars Chemical Industries. In fact, this study wants to say that whether two aspects of managerial competencies of managers, characteristics and managers' skills and their indexes are effective on employees' productivity or not? And whether their effect rate is different on each other or not? As a whole, the results of this research show that managers' characteristics proportionate to managers' skills are more effective on employees' productivity and regarding the regression test results, it can be said that generally, the effect of these two variables is so low on employee's productivity in the considered society. So, it is understand that, in Fars Chemical Industries, the employee's productivity is affected by other factors which are so effective than this research variables and decision-making about recognizing these factors needs so much studies. On the other hand, regarding the positive correlation managers' competencies' variables and

employees' productivity, the managers of Fars Chemical Industries shouldn't neglect the effect of these variables in their programs for improving productivity of employees.

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