CHAPTER II

REVIEW OF LITERATURE

2.1 INTRODUCTION:

Today, organizations continuously face the challenge of ‘surviving’ in an extremely dynamic business environment. In essence, for many it is survival first and competing later. A contrary view exists to this. Many organizations today, compete in order to survive. If dwelled deep into, both survival and competition are two sides of the same coin. Therefore, the onus is on the managers to ensure that they are effectively capable of acquiring a talent pool through recruitment, transform employees through continuous development initiatives and retain the intellectual capital through effective motivation\(^1\).

Historically, the service sector has played a pivotal role not only in terms of ‘developing economy’, but also in terms of providing invaluable ‘employment opportunities’.

This is substantiated by the fact that as on today the service sector contributes to approximately 66 percent to the GDP of USA, whereas, it contributes a significant 57 percent to the Indian GDP as for the figures of 2014-15\(^2,3\). This is significant, as India is seen primarily as a agriculture based economy, also, service sector contributes to both developed and a developing nation a like\(^4\).

Early 90’s saw India opening up its market to the world. This was a desperate measure to revive a sagging Indian economy and a looming financial crisis. However, the decision turned out to be blessing in disguise, as India entered the era of a ‘Globalized’ world. Its markets opened up to new ideas, sectors, industries and opportunities. FDI’s which stood at Rs. 409 crores in 1992 have seen a percent growth of 300 % standing tall at Rs. 1,21,907 crores as on 2014-15. Service sectors, especially IT and Healthcare are seen as a major contributor towards this\(^4\). With many organizations finding their place in India, it has given rise to a categorical problem. That being, a mismatch between supply and demand. This has led organizations to explore the options of head hunting and poaching to acquire talented intellects from competitor firms. Also, organizations have started to feel the critical importance of retaining a talent \(^1\).
However, not all organizations have fallen into this trap. The most successful organizations have learnt to compete through their internal resources, which acts as a source to acquire competitive advantage and distinctive competencies\cite{5}. This is only achieved if, the internal resources are fully discovered, explored further and exploited to the fullest. In the sense, resource based view suggests that it should be valuable, rare, inimitable and non-substitutable\cite{6}. In this regard, the wiser organizations, meticulously strategize, view personnel and human resources as a strategic lever to achieve this distinction. With other available resources, that are as scarce as human resources, organizations have learnt to use both optimally. That is, organizations keep enhancing the skills of employees through their available internal resources thus, motivating them to be more productive and performance oriented. The concepts of knowledge organizations have replaced the traditional definition of such\cite{7}. From the aforesaid discussion, it can be easily made out that within an organization; managers play a key role in extracting the desired outcomes from employees. This necessitates a look into the changing role of managers and answers the question as to who is a competent/ effective manager?

### 2.2 CHANGING ROLE OF MANAGERS:

High Performance Work Systems (HPWS), High Involvement Work Practices (HIWP) and Strategic Human Resource Management have replaced the traditional management systems\cite{8}. These new work systems, which cultivates high performance and involvement, have shifted the management styles from 'control' to 'commitment' orientation\cite{8}. The focus today is on customer satisfaction, which the organizations strive to achieve through continuous improvement initiatives like kaizen, six sigma, kanban, Toyota production system and lean manufacturing through achieving zero wastes in process, products and services. Traditional teams have moved to becoming empowered and virtual teams. The are no longer individual dependent. The culture has become more system driven than person driven. This has led to a new paradigm of systems thinking and managements approach to operationalized strategies\cite{9}. The above discussed points puts forth some evidence of the fact that with times, even managers role in the organization is heading towards a transformational change\cite{10}. Unlike in the past, today managers have become more of a facilitator, advisor, motivator and a trouble shooter and a change catalyst. Managers’ expertise, competence and efficacy in playing such roles becomes even more significant
when organizations predominantly focus on re-engineering and continuous business process improvements\textsuperscript{(11)}.

Managers are expected to define their roles based on management requirements, trouble shooting & problem solving, innovation & creativity, facilitation & guidance, change management, encouragement, leadership and coordination. Rather than playing a role of a person who manages but controls the situation, now the recent transition requires managers to adapt to new challenges which includes the demanding team environments as well. The role is more development oriented as compared to delegating strategy. The line between leadership and managers is also slowly receding. The leader is expected to be a good manager and a manager is expected to be a good leader. Leadership competencies have become most crucial and distinct predictors for managerial performance\textsuperscript{(12)}. It is observed that in most cases, teams, workgroups and individuals have a propensity to manage themselves. Once aware of their roles, they espouse methods that ensure successful completion of the task. This actually frees the managers from day to day monitoring and controlling and allows them to focus on areas which will give them a strategically upper hand as compared to its competitors. If the management doesn’t keep itself updated with the changes in the environment, it gets difficult for them to survive leave alone competing. Change in environment, technology, processes, structures and roles in inevitable. Stagnation decimates an organization much faster than any other reason. Hence it is critically important to effectively and efficiently manage change. This is where a manager can play a key role by anticipating the change in advance and take corrective actions to deal with the same.

Michael Hammer and James Champy,(1993)suggested that “...new ideas face a lot of obstacles and hurdles towards final conceptualization”\textsuperscript{(12)}. When individuals share their ideas with their boss. If they like it, they will take it further to their bosses, so on and so forth. But the problem here seems to be the fact that all the bosses along the value chain have the veto power to say ‘no’ or ‘yes’. Lot of managers can resist change citing to their own specific reasons. Many could out right reject an idea without even trying. Managers who respond positively towards new ideas should be careful in the sense of having a final go at them. (i.e. they should study in detail the feasibility analysis of the new ideas and see if they are relevant and necessary in business context. Too many new ideas created and tried can kill a lot of
productive work. Managers have to strike a right balance and be more creative and encourage innovation\textsuperscript{[13]}. 

2.3 MANAGERIAL EFFECTIVENESS

It is quite evident now that customer and quality orientation has made manager a potent resource in facilitating success for front line executives\textsuperscript{[14]}. The overall influence that manager can exert on profitability and productivity of the individual and the firm is well documented and hence the role becomes vital. The notion of competent/ effective manager has garnered much attention from academicians and industry practioners for several years now. Providing a clear understanding of such concepts becomes very important in today’s context, more so in times when organizations are trying to capture growth opportunities\textsuperscript{[15]}. Even with the attempts of the experts to document such dimensions, vagueness and ambiguity still remains with regards to the concept of managerial effectiveness. The indistinctness and ambiguity persists in terms of such questions-

i. What is a precise definition of managerial effectiveness?

ii. What are the key behavioral indicators of an effective manager?

iii. How to precisely measure and quantify managerial effectiveness dimensions?

Over the years, many experts have tried to shed light on the areas of concern and provide logical answers. By some, effectiveness have been described in terms of competencies and task specific skills\textsuperscript{[1, 16,17,18,19]} or by some who have tried defining managerial effectiveness in terms of task/job specific roles and other related behaviors\textsuperscript{[20,21,22,23,24]}. Interestingly, the third idea postulates behaviour as a function of such competencies which eventually acts as a potent precursor or antecedent to job performance\textsuperscript{[25,26]}. Reddin, (1974, p.7) defines effectiveness as “...the degree to which managers achieve the output requirements corresponding to their respective positions”\textsuperscript{[27]}.

With an objective to identify, condense and expound on the concept of effectiveness, many researchers have shared their valuable inputs. In this regard, dimensions such as litheness, adaptableness, productivity, human, technical, conceptual, acuity, knowledge, constraint, opportunities, inspiration, organizational criterion, inter-relationships, dominant management style, leading by example, managing self, efficiency inclination, responsiveness,
communication, knowledge of culture, action planning, opportunistic, initiative, team work and relevant, productive team meetings\cite{15,28,29,30,31} finds ample mention in the literature.

In an Indian context, managerial effectiveness has also gathered much attention. With regards to managerial effectiveness and performance, one of the most early contributions in India is that by of Dhar (1978), who in his study of production supervisors in manufacturing sector enlisted superlative communication, physical courage, influential leadership, self management, technical, functional and task knowledge, teamwork and discipline to be key dimensions of effectiveness that triggered desired performance\cite{32}. Other dimensions such as functional competencies, interpersonal skills, personal effectiveness, time management, quality orientation, values, ethics and change management skills were found to be key indicators of managerial effectiveness which projected tangible influence on performance or productivity\cite{33,34}. Irrespective of many reported dimensions, in India, researchers have reached a broad understanding and consensus on areas like productivity inclination, flexibility and adaptability as key to achieve greater success\cite{35,36}.

2.3.1 Some other dimensions of managerial competency/ effectiveness

Any parameter which is high on value and less on satisfaction signifies a problem. Ability of employees/ managers to solve problems effectively is seen to be important, as it would show the competence of such to give solutions through anticipation and out of the box thinking, when no other solution can be found out through routine operations or procedures. When incongruence between a well defined goal and the means to reach it arises, problem surfaces. Problem solving ability is found to correlate highly and significantly with performance, satisfaction and commitment\cite{37}.

Managers self perceive problem solving skills to be important for their performance. This particular analogy was supported by a survey carried out by SHRM, in which managers and employees both reported problem solving/ critical thinking to be most influential along with flexibility/ adaptability in predicting effectiveness\cite{38}.

Communication skills, both oral and written having taken the shape of interpersonal skills plays a very significant role in customer satisfaction, retention, negotiation, conflict management, self confidence and job performance. These skills fall into the ‘soft’ category and are easy to train on\cite{39}.

Frequency, relevance and timeliness plays a crucial role in effective communication of employees with peers and subordinates. The skill of the dimensions aforementioned,
signifies relational coordination that also includes mutual respect and shared goals among group members \[^{[40]}\]. Also, in social or organizational context, the managers adopt roles as important communicators, often briefing or summarizing important points through verbal or oral communication. Such people with good communication skills reinforce a message through clear and convincing communication\[^{[10]}\]. Ability of an individual to engage with other stake holders and key player and to intermingle in a heterogeneous group with an intention to share and acquire knowledge forms the networking or collaboration skills. Collaborative skills, if present plays a crucial role in problem solving, decision making and partnership forging\[^{[41]}\]. One more dimension concerns with using symbols of power to exert influence on others. At a functional level it is termed as ‘concern with impact’ and at trait level, it is called \( n \) Power \[^{[42]}\]. Individuals with a high \( n \) Power, take pride in influencing others. People who have concern with impact behave in certain ways.

They are concerned about status and reputation, often to the point of worrying about having appropriate office furnishings and perquisites commensurate with their position in the organization. They often express concern about the prestige or reputation of the organization or products. Regardless of the issue, such people have a need to persuade or influence others. However, some researchers tried to establish inherent capabilities of a manager to develop a competency model. This included self-direction and elevated scale of self-determination. The result of such a research was consistent with the achievement motivation theory and suggested that there is a high degree of association between self-determination and managerial effectiveness \[^{[10,25,43]}\].

It has been found that a manager who is high on self-direction and self-determination also help the autonomous work groups and teams to perform to their highest efficiency thus playing a dual role of self-excellence and achieving organizational targets through teams \[^{[44]}\].

Another important dimension that is seen to add to the overall competencies and effectiveness of a manager is ‘self control’. This dimension refers to the exhibition/demonstration of a particular behaviour or a trait in which the person controls his/her impulse of the individual desires and wishes in service or for the greater good of the organization. Individuals high on self control continuously weigh the pros and cons of all aspects or options surrounding them considering duly the consequence on self, workgroups and the organization before embarking on any decision. They are prone to express their views and feelings in situations which demand, organizational or procedural justice, fairness and equity.
People devoid of such traits usually exhibit contradictory patterns to the aforementioned, inclined more towards vested motives and self-centeredness\textsuperscript{42}.

Individuals with ability to control self see themselves as disciplined people. These individuals demonstrate what might be called self-control skills. An individual strong on the trait of impulse and self control exhibits "calmness" even when provoked aggressively. They seldom react and respond back immediately in the same manner. Their approach is defined and set more on wait, introspect and revert. This happens when the feel the situation is calm enough for them to put forth their point of view. On the other hand, individuals short on self control usually choose to get back aggressively to counter a provoking situation. They use such strategy as a self defense mechanism seldom successful in a positive outcome.

For example, managers with self-control, when confronted by a subordinate who is angry or upset about a decision, first attempt to calm the subordinate or find out why he or she is angry. These actions are taken before attempting to explain the rationale for the decision. Of course, managers with self-control are more likely than their less mature counterparts to explain the rationale for such a decision to the subordinates rather than revert to an "I made the decision and that's the way it is" type of statement. Managers with self-control are likely to make personal sacrifices when an organizational need presents itself. For example, such managers may change their approach to solving a problem, the agenda of a meeting, or the priorities of work assignments when an organizational need arises. To maintain consistency or equity across organizational units, they implement or follow through with an organization-wide procedure, even if they do not feel it is the most appropriate method for their unit\textsuperscript{10}.

Another key aspect of effectiveness projected by competent managers focuses on the concept of 'self' as with self control. A scenario where an individual demonstrates unmatched 'belief' in his/her abilities or skills and to a greater extent believes that he/she is in 'control' of the situation reveals the competency of 'self confidence'. Another important point to note with regards to self confidence is that it is cyclical in nature, meaning, it gets developed over a period of time as a result of repeated success with usage of a particular competency.

This invariably would mean that repeated success leads to more and better usage of competency leading to further confidence which eventually enhances the self efficacy beliefs. People high on self confidence are initiators as they take the first step towards any work which they believe can perform optimally. When posed with a serious problem, they exhibit
the quality of perseverance and patience with regards to the actions that they have chosen to perform to come to a suitable solution.

They hardly ever express ambivalence over their decisions. However, such managers might still be able to identify the pros and cons of a particular decision, but have no reluctance in making a decision and living with it. Whenever managers are with others, those with self-confidence demonstrate “presence”. They seem, when they have a great deal of this characteristic, to exude or be surrounded with an aura. They continuously demonstrate influential leadership qualities. They also possess high self esteem making them easily the most charismatic characters around.[10]

Like all human beings, even managers are expected to handle and manage aspects relating to their own lives and act autonomously but in context of the self and society at large. These dimensions manifests themselves as ‘second order’ traits, meaning, these skills are required to manage the core or the ‘first order’ skills effectively. At the trait level, it has two distinct categorizations i.e. the first being the skills required to manage owns efforts, tasks, jobs and assignments in time and the second which expounds on the skills used to amalgamate line of work with peers and subordinates leading to a ‘coordinated work flow’[45].

With the increasing use of technology some researchers established that managers in today’s era should be familiar with the use of information and communication technologies. This further would help a great deal in managing with change. Familiarity with the kind and nature of information would ensure that right and relevant information is captured with the purpose of further analyzing the same to generate meaningful reports which would further assist in decision making and streamlining the workflow[46].

Media literacy refers to an individual’s ability to access, appraise & assess and generate media content. This skill is critical as it is a crucial aspect of another core skill i.e. social communication. Media literacy helps an individual to use media content effectively to communicate the critical aspects of decisions, the logical through process behind key decisions, solutions to all key stakeholders of the business. The skill also is seen to make the individual more responsible with the choice of media, the relevance & accuracy of the content and finally the timing of communication[46,47].
With technologies and work processes continuously evolving and rendering the existing ones useless, work process knowledge theory expounds on the importance on the part of the managers to keep oneself updated in terms of knowledge of emerging technologies, continuous improvement programmes used world wise, business process and in-house operational processes. It is suggested that for managers to be effective, they need to adapt to new technologies and exhibit creativity and innovativeness to churn out new ideas to continuously improve the work systems. This would further imply that in today’s context, employees are expected to relentlessly create new knowledge with further application of the same in the indigenous business processes to improve upon the productivity and profitability. The learning happens continuously with on hand experience as the new knowledge that is created such is transferred back to the organization for its broader applicability and usage. In essence this refers to adaptive learning skills which is defined as “…ability to apply routinely a formula or method for confronting a situation, but also the ability to deal with change, learn from experience and think and act with a critical stance”^{[48]}.  

Adaptability also refers to flexibility. For the learning to be useful and effective, both the organization and the concerned employee need to exhibit the competency of adaptability. Keeping the self interests aside individuals/ employees are expected to develop those competencies which are required for the firm’s success more than the success of the self. Even organizations are expected to reciprocate back to the employees in the same way. As Philpot, (2002) states “…organizations must be occupationally flexible, enabling workers to become mobile between different tasks, in particular by helping them to shift from less to more productive occupations”^{[49]}.  

Managerial capabilities and competencies leading to effective and superior performance comprises of three major categories i.e. aspect of learning behaviour, resilience and a threshold competency like business process knowledge. People who possess the learning behavior skill, demonstrate tremendous motivation, skill and willingness to learn continuously and across myriad cultures. The main source of such learning is through direct work experience. Such managers also exhibit the capability of giving due respect to others view points and perspectives. This approach is quite evident since people willing to learn, learn from almost everything and anybody. There is no known resistance or constraint exhibited by them to acquire knowledge or learning.
In a highly dynamic and a competitive environment, managers and business leaders are expected to lead from the front by effectively managing time and stress. In-fact, stress is seen as the most prominent bottleneck towards achieving maximum productivity. Individuals who exhibit potent ability to manage time and stress well are invariably demonstrating the competency of resilience. Along with such, in today’s context even a threshold competency like knowledge of business and related processes play a key role deciding whether the manager is competent and effective [50]. Some of the dimensions emerging out from the above discussions include aspects of self development, perspective taking and cultural adaptability. Briefly put perspective taking explicates on the ability of an individual to listen well. The skill of listening well empowers the individual with an ability to consider multiple points of view further, developing the aspect of empathy towards othersBoyatzis, (1982, p.66) [10]. Self- development focuses on behaviors that individuals exhibit if they take the onus or responsibility of developing themselves instead of relying on others to identify ways and time to develop them. Managers displaying such behaviour are ambitious and quality driven. This competency of self development is analogous with the learning behaviour skill as the willingness to improve continuously drives such people to find ways to develop themselves. In the process improving aspects of the self, of others, of different processes and the organization as a whole. Such individuals are categorized as agile learners[51].

Spreitzer, McCall and Mahoney, (1997) identified six particular aspects of demonstrated learning behaviour that led to managerial effectiveness[52]. These included dimensions like;

1. Continuously search for chance or opportunities to learn and improve
2. Demonstrates an open mind towards feedback and inputs from the concerned stakeholders.
3. Judiciously uses various information from varied sources, gathered through feedback to take corrective and long term preventive actions if found necessary
4. Demonstrates an open mind towards disapprovals, resistance to ideas and criticism
5. Is flexible
6. Is culturally adaptable.
Ambitious managers demonstrate one more behaviour in their day to day work. These people demonstrate a strange willingness to always do things better. Now, the interesting point of view is, that such drive to do things better need not be necessarily be in comparison to others. Sometimes, such managers who are efficiency oriented or efficiency driven sometimes go out of their way to better than what they themselves had achieved in the last trial. Meaning, such drive is to do better than others, better than the own self and better than what was done before. They are extremely particular towards attaining performance excellence and keep setting new benchmarks for other to follow. At the motive level, efficiency orientation is the n Achievement[^42].

The motive occurs in conscious or unconscious thought as images of performing against a standard of excellence or accomplishing something uniquely (i.e. as it has never been done previously). The person sees himself as someone who can do things better and who is efficient. In social or organizational contexts, the person adopts a role of being an innovator. The person demonstrates skills in goal setting, planning, and organizing resources efficiently. Managers who orient themselves towards efficiency exhibit typical behavioral patterns that sets them apart as compared to others. They usually work against strict timelines that are challenging yet realistic. They ensure that goals set are achievable with proper efforts. These goals would be considered moderate risk goals or outcome statements. They may take the form of precise agendas for meetings[^53]. In either case, the goal is a bench mark or evidence of accomplishment. Proactivity is a new concept originally used to describe the opposite to someone who is reactive or who guards the status quo. Pro-activity symbolizes a disposition towards initiating a action to achieve the desired outcomes. This would imply that proactive individuals deliberately set off an activity for some specific purpose. At the trait level, pro-activity is people’s sense of efficacy. This trait “internal control of reinforcement.” defined the disposition as people’s orientation toward seeing themselves as “origins”, or masters of their life, in contrast to people who view themselves as “pawns”, at the mercy of luck or fate. The various concepts and labels appear to describe a characteristic that termed people’s sense of efficacy[^10]. These people perceive themselves to be in control of their lives, and therefore responsible for taking action if there is a desire for events to unfold in a certain direction or manner. People with such competencies demonstrate unmatched dexterity in problem solving and information seeking[^54].
Another key competency which commands some prominence in business world with regards to managerial effectiveness in the manager’s ability to recognize patterns from assorted data or information further, assisting them to develop a mental framework or concept to interpret the existing situation based on facts. Over a period of time, this specific competency of diagnostically using the concepts well helps the manager to develop a pre-empt mental framework of how things are going to work?

In contrast to other ways of thinking, it is a way through which people “test” the information by systematically applying it to concepts. This can be termed deductive thinking. The self-image of people with this characteristic is that being deductive and analytic. In an organization or social group context, they adopt the role of scientist, and others see them as trying to “figure things out” or analyze various situations. Such people demonstrate the skill of pattern identification through concept application. People that use diagnostic use of concepts tend to behave and speak in particular ways. As with certain competencies, the manifestations of diagnostic use of concepts are not obvious in terms of people’s behavior, and the thought processes people use must be deduced from their various actions.

They might use this competency in finding a job and organization that “fits” or is appropriate for them. For example, they might identify an argument between a corporate personnel manager and a divisional personnel manager as evidence of a “line-staff conflict”. They do not try to find a relevant concept by examining the information (which is the approach person who uses a different competency would take); rather, they seek source material to provide the concept.

In learning or educational setting, such people often demand a “road map” at the beginning of the experience, claiming that they cannot adequately appreciate the elements of the experience without understanding the overall concept of what is being presented and why this particular material is being presented. For managers to be inspirational to those inside and outside their organization, among other things, they are required to be insightful to articulate a common vision. This common vision may be a new direction, goal, or mission that others would like to follow.
Numerous managers have propelled their organizations to success through identification of market needs, design of a new product, or a statement of the strategic direction of the organization. To be insightful does not necessarily refer to being “smart” in the traditional use of term. The analytic or cognitive skills of an effective manager may or may not be related in any systematic manner to a generalized concept of intelligence\(^{25}\), often referred to as intelligent quotient (IQ), which is why IQ measures do not consistently relate to effectiveness in many occupations\(^{42}\).

Not adequate just to indicate the skills both analytic and conceptual, mental ability and general intelligence that a manager should possess for being effective. Researchers have reported several intellectual skills that appear related to managerial effectiveness. Numerous studies have shown that a variety of intellectual or cognitive skills are related to effective performance in college and in various occupations. The important question is: How do insightful and effective managers think that is different than the way their less effective counterparts think? The answer comes through four clusters of effective leadership. Those being, self-confidence, effective use of oral presentations, logical and analytical thought and conceptualization.

As Kotter, (1982) indicated identification of patterns of product performance and changes in the marketplace, and the communication of these observations internally, are characteristic of the effective general manager. Identification of the business within which an organization is functioning, which is different from the concept previously believed by management, emerges from the use of the competencies in this cluster; such behaviour can be labeled strategic thinking\(^{55}\).

A cognitive process in which all events are placed in a causal sequence is termed as logical thought. The concerned individual creates a hypothetical sequence based on specific perceptions. The perceptions are of series of events which are in essence cause and effect of some other events. That is, every event is an affect of a preceding event and also the cause for the event that is going to occur in the near future. Individuals strong on logical thinking exhibit skills of organizing cognitions or thoughts in a logical sequential order. Another concept that is analogous with diagnostic use is a competency termed ‘conceptualization’. Conceptualization skill can be viewed as a precursor to the diagnostic use of concepts. Here,
as in the case of diagnostic use, manager is able to identify and recognize inherent patterns in
the assorted data or information. Further, the pattern so recognized is used to develop a
concrete concept based on the information at hand i.e. the facts. Conceptualization
competency has also been termed as an imaging cognitive process, or an iconic learning style.

Part of the self-image of people who conceptualize well and easily is a sense of being
innovative or creative. In social group context, such individuals assume the character of an
initiator, creator or inventor, wherein the word "inventor" mean a person who develops
something altogether new, whether the "thing" developed is an idea, concepts, insight, or
solution to a problem. Such people have specific mannerism and behavioral patterns. When
exposed to or presented with a colossal amount of information, they somehow are successful
in identifying the underlying pattern and thus are able to present a theme on the information
which otherwise would not have been that obvious. They can also label the pattern so as to
communicate the meaning of the concept.

They possess a unique ability to evaluate a clear and a present problem by churning
out a precise meaning to it. This is achieved by peeling or dissembling the problem based on
the set of information into different constituent layers while at all times using a strong logic
behind differentiation. A person who uses conceptualization is more likely than others to
make use of an analogy as a utility tool to interpret and provide meaning to an experience, set
of events, ideas, or observed phenomena. When a group of people is exposed to a seemingly
unrelated set of events, it is the people who use conceptualization who come up with reasons
behind associations of events. In all likelihood, the concept identified is different from any
used previously. Four underlying characteristics emerge. Those being;

(1) Use of socialized power;
(2) Positive regard;
(3) Managing group process; and
(4) Accurate self-assessment.

Socialized power refers to a particular type of competency in which the person uses
influence to create networks, groups and coalitions. These people see themselves as members
of a team; that is, they perceive themselves to be part of particular groups. In social or
organizational contexts, they adopt roles of team or organization members. They demonstrate
skills in building alliances, networks, coalitions, or teams. People who use socialized power behave in certain ways. To accomplish a certain task, they build a political coalition or network that did not exist previously. They view their relationship with their boss as an important coalition.\[10\]

Perceiving themselves as team or organization members, they attempt to bring conflicting individuals or groups to a resolution of the conflict through building coalitions or using existing coalitions.\[10\]

Positive regard is a competency in which people believe in others. These people see themselves as trustworthy. It would be difficult for people to have this characteristic and not to assume that they are basically good while assuming that others are. In social or organizational contexts, such individuals assume the role of an idealist. They demonstrate and extensively use verbal and nonverbal skills that make others feel valued.

Managing group process is a competency in which people can stimulate, motivate and encourage other fellow workers to work together optimally in group setting. Such individuals believe that their efforts in this regards can make groups work cohesively. In social or organizational contexts, such individuals assume the role of an integrator. People who can use the managing group process competency behave in certain ways. They communicate to a group the need for collaboration and cooperation. These people would be extremely successful in bringing together many workgroups to work together well. Within such initiatives, managers with such skills will be able to instill notions of group identity, pride and belief in team members.

Individuals who exhibit strong self assessment competency, have a tremendously realistic and grounded opinion about themselves. They show extremely high awareness of the self and others, completely sentient to their own strengths and weaknesses. This particular characteristics is labeled as self-objectivity.\[10\] Further, such individuals effortlessly demonstrate skills in testing their perceptions and judgment about themselves. Such individuals exhibit some unique mannerisms. For example, they are able to describe and evaluate the effectiveness of their performance in a particular situation. Results of specific action taken are attributed to personal strengths or weaknesses. Such people would not
necessarily be labeled as humble, nor showing humility, because they readily admit their strengths. But at no point in time are such strengths overestimated. Not only that, the strength exists only in the context or the perspective of the recognized and admitted weaknesses. They usually identify and seek help to overcome or rectify their weaknesses. Three underlying characteristics sets them apart. Those being

(1) Willingness to develop others;
(2) Use of unilateral power; and
(3) Spontaneity.

Managers with this set of competencies express themselves to others to improve subordinates performance by giving directions, orders, commands, and performance feedback. Each of these competencies will be examined separately before continuing the discussion of their joint impact on managerial effectiveness.

With a view of helping others, colleagues and team members do their job well, managers extend a helping hand in ensuring that the people to whom such help is given eventually perform well in their jobs. This particular competency dimension is termed as developing others \(^{(10)}\). Unilateral power refers to a competency in which the managers use influence to secure acquiescence or compliance. That is, managers stimulate the subordinates to work on common objectives and for the greater good of the organization by providing complete adherence to organizational rules, policies and procedures. In social or organizational contexts, they adopt roles of being in charge of the group or certain functioning of the group. Individuals exercising unilateral power display authority that creates compliance from fell members. Such people demonstrate some mannerisms. They give orders, commands, or directions based on personal authority, or the policies of the organization\(^{(10)}\).

Ability of an individual to express themselves freely or easily is termed as spontaneity. These people see themselves as being able to act freely in the present (i.e., the here-and-now). In social and organizational contexts, they may find themselves in the role of a provoker (i.e., attempting to “provoke” someone) or a jester (i.e. attempting to elicit laughter). People with spontaneity demonstrate a variety of self-expression skills\(^{(56)}\). When individuals approach to their judgments and decisions objectively without any hint of
subjectivity or personal bias, such competency is termed as perceptual objectivity. This has been called social objectivity by Bray et al. and sensitivity to others \(^{(57)}\). At the trait level, such objectivity is the disposition to analyze an event from myriad perspectives simultaneously. These multiple perspectives may represent different levels of perception or conflicting views of a particular event or issue. These people demonstrate affective distancing skills; that is, the ability to remove themselves from emotional involvement in the specific situation or event and view it with relative objectivity. The term “relative objectivity” is used to avoid the philosophical discussion as to whether or not any person can be truly objective. Relative objectivity is, therefore, taken to mean the opposite of relative subjectivity.

People who possess perceptual objectivity tend to speak and behave in certain ways. For example, when presented with a conflict among subordinates, they are able to accurately describe each subordinate’s “side” or view of the issue. Another key dimension garnering attention of practitioners is the ability of an individual to demonstrate flexibility and openness towards a dynamically changing business and process environment. Managers of such capabilities have the requisite energy to overhaul long hours of work to effect successful changes in business and related processes. They invariably end up demonstrating tremendous stamina and adaptability. At the trait level, there are two aspects of this characteristic. One aspect is the physical stamina to exert required effort to attain maximum performance and demonstrate effective stress management in all situations encountered. This aspect of the trait level is termed developmental Stage of Adaptation. These people see themselves as diligent and hard workers, but flexible. They demonstrate adaptation and coping skills \(^{(10)}\). People with stamina and adaptability behave in certain ways. They can be seen working long hours when this is needed. They can maintain a high quality of performance through 14-hour days and 70-hour weeks. Throughout such a prolonged or arduous task, they maintain their usual degree of attention to detail. They have characteristics that called energy and resistance to stress. These people also remain relatively calm or patient during such periods. This posture is maintained even in shorter time spans as well as on those occasions when they experience a high degree of stress for months in sequence \(^{(42)}\).

Whether in response to stressful events or long hours, people with this characteristic can be observed to pace themselves; that is, they designate periods of time to certain activities, allowing for some distribution of periods of intense output and relatively
lighter periods. They engage in activities specifically chosen to reduce the effects of the stress or fatigue. These people respond to changes in the job demands or the environment by making appropriate changes in their behaviour or approach.

Concern with close relationships is a competency that people care about and build close relationships with individuals. The types of relationships sought and build can best described as friendships. At a motive level, this is termed the ‘n’ Affiliation. People with the n Affiliation spend their time talking with others (i.e., make many long-distance telephone calls to friends and write letters), and prefer to work in groups and with people they know. They are likeable and caring. In a social framework, they adopt the role of friend or family member. They demonstrate nonverbal skills that cause people to feel cared for, and friendship-building skills.

When individuals, by holding their set of values constant, embark on taking decisions or make factual judgments in a relative perspective, such people are found to be exhibiting the ‘ability to make judgment’ competency. Some other competency dimensions explored to and identified by experts include but are not limited to cultural adaptability, tolerance, empathy and technical skills, threshold competencies like business, market and allied process knowledge, conflict management, inclusive participation and information sharing, innovation skills, technology adoption, generative thinking ability and a resilient problem solving capability.

2.4 DYNAMICS OF JOB PERFORMANCE:

Understanding the behavioral aspects and constituents of ‘managers’ is critically essential for further, investigation into the competencies as required for effective job performance. In this regard, when it comes to understanding competencies and its impact on performance, it is vital to drive the focus towards two important paradigms i.e.

1) The functions and the demand of the management;
2) The Organizational environment in which the organization works.

Also, citing to the overall scope of the study limiting itself to identifying competencies as perceived by managers to be important for their effectiveness or
performance, other areas are excluded. Myriad studies in the past, across sectors and countries, suggest that managerial competencies are strong and significant antecedents to job performance. Before the relevance of competencies is agreed upon, it is critically important to understand the dynamics and importance of performance from a business perspective. When we talk about performance, we specifically discuss two major areas of interest. One being the organizational performance and the other being individual performance. It is believed, that individual performance is highly correlated to organizational performance.

Major strategies are formulated by companies keeping their resources and competencies in mind which includes the human resources capital. A highly qualified and motivated workforce with the requisite skills and knowledge, allows the organization to pursue its business interest with a great competitiveness. Performance has different dimensions. Before we dig deep into the competencies which impact performance, it is necessary to understand how performance as a concept been defined by experts. Mathis and Jackson (2009, p.122) define performance as “...a parameter that is associated with quantity of output, quality of output, timeliness of output, presence / attendance on the job, efficiency of the work completed and effectiveness of work completed”. Also, it is viewed as the “...standard to which someone does something such as a job or examination”. Bacal, (1999, p.53) asserts that “the effective management of individual performance is critical to the execution of strategy and the organization achieving its strategic objectives”. Experts argue that performance has no self intelligence to develop on its own. On the other hand, an individual’s ambitions that leads to a natural inclination towards learning and performing better, has to further recognized, acknowledged, accommodated and solicitously and continuously nurtured through competency specific development programs.

Another interesting point pertaining to work performance is that it epitomizes a specific behavior. In an organizational setting, this behavior is usually targeted towards achieving specific objectives that are coherent with organizations, job and role demand. Also, the research world seems to converge and agree upon one universal job performance framework. This framework projects two specific dimensions of a desired performance. The first being ability and the second being motivation. Ability of an individual is viewed to be a product of functional aptitude, formal training and available resources whereas motivation is...
subject to an individual’s desire and work commitment. In this regard, work performance is proposed to be a functional product of individual’s ability and motivation.

Motivation itself does not necessarily lead to a superior work performance, although, it is found to be a key precursor to such. The underlying reasons for such phenomena is that, employee performance in its usual course will face myriad of obstacles. Such barriers in the past have been attributed to under developed competencies, poor self perception of efficacy, inadequate knowledge and lack of constructive and continuous feedback on the part of management. The key factors affecting employee performance are generally categorized into two specific clusters. The first being internal factors. These constitutes areas of coverage on which the incumbent organization has full control e.g. internal resources, finances and capital, employee selection, training need identification, performance appraisal etc. The second factor being external, being completely exogenous in nature and hence the organizations virtually hold no control over the events e.g. supply and demand of labor, Government policies, economy etc.

Borman and Motowidlo (1993),acknowledged two categories of individual behavior that are indispensable for organizational efficiency: First being task performance, and the second being contextual performance. This is true for both managerial level as well as supervisory level. Task performance is viewed as the proficiency or the expertise with which one goes on with job of carrying out all important tasks demanded by the role. Whereas, contextual performance refers to the supportive behaviors demonstrated by an individual in carrying out core technical functions. It is also defined as “...individual efforts that are not directly related to their main task functions. However, these behaviors are important because they shape the organizational, social, and psychological contexts serving as the critical catalyst for task activities and processes.

Contextual performance is further clustered into two distinct facets
i) Interpersonal facilitation and
ii) Job dedication.

The first facet include “cooperative, considerate, and helpful acts that assist coworkers’ performance” and the later “self-disciplined, motivated acts such as working hard, taking initiative, and following rules to support organizational objectives."
Some jobs countenance for easy impost of the performance because for such, the goals and the objectives are readily available. However, a precise assessment of the performance of the department, organizational unit leads to an unmatched efficiency in the administrative. However, the jobs being evaluated or assessed differ in complexities. For successful assessment of performance, objectives have to set clearly. Unfortunately, these objectives are often stated in ways that are extremely myopic. Boyatzis, (1982) defines effective job performance as “...an attainment of specific results or the outcomes required by the job through specific actions while maintaining or being consistent with policies procedures and conditions of the organizational environment”\(^{10}\).

The specific results required by the jobs must contribute to the results from other jobs in such a way as to yield the organizations product or service. The contribution may come in two forms. Either the results from a job may contribute directly to the creation and the production of the product or service, or the results from the job support or maintain systems to facilitate others making their contribution to the organizations product or service. The definition also includes the term ‘specific actions’. Technically, these actions may be demonstrated by a person or a machine. Some underlying skills, knowledge and abilities of the individual empower him or her to exhibit specific actions. These specific attributes are termed as competencies. Boyatzis, (1982) postulates that “…when the responsibilities of the job to produce the desired results require the demonstration of specific actions, the individual draws from his own inner resources for the capability to respond. These requirements of the job can be considered the job’s demand of the person”\(^{10}\). The value of the results and the actions are, in large part, determined by the organizational environment.

2.5 MANAGERIAL COMPETENCIES AND JOB PERFORMANCE

Many studies in the past have been able to successfully establish a positive relationship between managerial competencies and job performance. Mohd-Shamsudin and Chuttipattana (2012) in their study of primary health care managers in Southern part of Thailand, focused on identifying crucial competencies that would affect performance, also, tried to churn out inherent relationships between competencies, individual personality and motivation. The results wield evidence of competencies like planning and evaluation,
information management, communication, collaboration, assessment and visionary leadership significantly influencing the self-perceptions of primary health care manager’s effectiveness and job performance. Also, the results were able to bring out a strong and significant relationship between personality, motivation and managerial competencies. In the past, studies have also focused on assessing whether competencies requirement across different functional area differs. In a study of 198 managers in telecommunication sector in Sri Lanka, Wickramasinghe and De Zoyza (2009) found that managers across different functional areas reported competencies relating to the ‘skill’ facets more critical than those which belonged to ‘knowledge’ and ‘value’ dimensions. The study, which with a purpose of identifying a common set of competencies across varied functional areas, considered thirty one competency dimensions under the head of knowledge, skills and values. Managers from Finance, IT, Marketing, Human Resources, Legal, Operations found their current set of expertise to be high in the areas of resiliency, flexibility, meeting targets, listening and vision. However, the competencies perceived to be important for the current scenario and for the future showed some marked difference from what they are experts on. Important competencies were reported to be team work capabilities, achievement orientation, time management skills, customer relations, technical expertise and planning. The results provide evidence of significant difference in the expertise in competencies and competencies that are perceived to be important.

Unlike the findings of the aforementioned work, a study in Turkey in the tourism sector by Nilgun and Sarvan (2007) reported technical competencies to be more important than the generic competencies in predicting effectiveness or superior performance. These competencies included marketing skills, market analysis abilities and economic and financial management. With regards to the generic competencies, the greatest gap between the expertise and what was actually required for performance was highlighted for control of hasty decisions in an emotionally charged up environment. The authors support the above findings by corroborating on the general work environment that is prevalent in Turkey and the role of social intelligence in dealing with the customers. Though, it is well established that managerial competencies leads to manager effectiveness, some studies have tried to focus on capturing the organizational variables that dictates the procurement of competencies and further their impact on effective and perceived performance. In this regards, an exploratory study on senior managers in Ghana by Analoui, (1999) came up with some fascinating
results. The study which primarily focused on identifying behavioral parameters that impacted effectiveness, churned out eight critical organizational parameters that held potential to affect both competencies and job performance. The eight parameters included, managerial perceptions, organizational criteria to evaluate effectiveness of managers, the need for managerial skills, motivation, the degree of demands and constraints, nature of inter-organizational relationships and overall management philosophy. Senior managers perceived that for being effective one must posses the skills of planning, organizing and leading. Interestingly, the most important skills required for exhibiting superior performance were reported for people management and analytical reasoning skills. Also, one view holds that managerial competencies develop over a period of time and are stable enough to hold when developed through proper training. This analogy was supported by a study on R & D managers by Dreyfus (2008) in USA, who found, competencies pertaining to the ability of managing groups and interpersonal sensitivity differentiated top performing managers from average performers. These competencies developed over a period of time and were found to stable in predicting performance in other performance contexts also. Martin and Staines (1994), in their study of nearly 150 owners and managers of small scale firms in Tayside, reported that findings differed for managers and owners in what they perceived to be important for effective job performance. Interestingly, owners rated technical skills and business knowledge to be key precursors to superior job performance wherein managers believed innovation, creativity, leadership and risk taking abilities to be key predictors of effective performance. This is interesting because, traditionally business knowledge is viewed to be a threshold competency. Qiao and Wang, with a purpose of identifying managerial competencies that had most potent effect on managerial effectiveness and job performance of managers in China, found competency dimensions such as the ability of the incumbent to learn continuously, decision execution, teambuilding, coordination and communication to exert maximum influence on performance. In an Indian context, Dhar, (1978) asserted that managers and supervisors be viewed in the same light and in this regard, a supervisors’ or middle manager’s role becomes more operational than strategic. He further goes on to add that for supervisors in manufacturing firm to be effective and superior performance, they should posses competencies as requisite process and technical knowledge, pulsating communication, concern with other team members, courage both physical and mental and most vitally discipline, sincerity and obedience. A study of 73 senior managers by Khandwalla, (2004) found that skills such as contextual sensitivity and job execution
played a key role in predicting superior performance. Also, Bamel et al. (2015), in their study of 200 Indian managers spread across public and private sectors, found individuals capability to adapt and be flexible influenced the job performance the most. Other studies by Labbaf, Analoui and Cusworth (1996) and Camuffo and Gelli (2005) found competency dimensions such as leadership, people management, negotiation, persuasion skills and interpersonal skills to be most potent precursors of job performance.

Despite extensive coverage that competencies as a concept has garnered over the years, it is evident that empirical studies which links managerial competencies directly with the self-perceptions of job performance are very few. Also, in India, the pharmaceutical sector has enthused very few researchers in this regard. Our study, aims precisely to end this gap by first, identifying most important competencies that influence job performance of managers, secondly, by gauging whether employee perceptions on competencies are different to those of managers, finally, adopting a gap analytic approach with regards to perceived important competencies and current expertise levels among managers in Pharmaceutical sector to identify areas for improvement within the area of understanding of the subject and for the industry as a whole.

2.6 PROBLEMS AND PITFALLS OF TRADITIONAL COMPETENCY MODELING:

Most often than not, competencies are viewed to ambiguous or abstract forms of behavior. One of the fundamental problems with organizations is that they for some odd reasons judge the extent of one’s competencies based on his/her accomplishments. However competencies as such need not lead to superior performance. Competencies used for a long period of time, repeatedly to accomplish a task should also result in a success which obviously is measured against a set bench mark. Based on such success, the individual in this case the manager would decide to use the set of competencies again or decide to fine tune them further. Either ways it leads to personal development.

However, one key point to capture here is that the decision to use the set of competencies is based on the experience of success. If the success is elusive with usage of some competencies, the repeatability of a desired behavior is circumspect. Meaning, the confidence that one derives out of success through the use of any competency or set of competencies enhances the perception of self-efficacy and the incumbent feels that s/he is in
control of the situation. This can be made evident through an example. Sale personnel are continuously trained to achieve optimum performance. Individuals who are trained usually use the knowledge gathered on the actual job. If success is found, they are confident to use the knowledge, skills and abilities again as it leads to better performance and probably better incentives. However, if such training does not elicit success on job, the sales personnel would stop using the competency on which the training was given. Organizations are cautioned in such matters as a ambiguously set results or gauging the competency of a personnel purely based on the end results would be detrimental. As Teodorescu and Binder, (2004) state “...by specifying business results (e.g., repeat business) and key accomplishments required to produce them (e.g., satisfied customers, retained customers), we create a much clearer path for managers, trainers and sales representative themselves to contribute to the bottom line, but ambiguously defined accomplishments may never lead us to the desired results, even then by clarifying desired accomplishments, however, it is possible to put together the right combinations of behavior to produce results” [80].

Also, there seem to be myriad opinions on how to competencies and integratesuch identified dimensions of competencies to performance both at individual and personal level. Practioners more often than not pick some competency names and related definitions to develop their so called indigenous competency models, even if it is not based on the actual organizational requirements. On the other hand, some experts do a comprehensive study of roles, requirements and resources to identify and develop a precise list of competencies that would lead to desired individual and business results. As clearly stated by Langdon and Marreli, (1982) “Identifying job competencies has traditionally used more art than science” [81].

But the topic entitled is totally different from the above studies and is important for effective performance in pharmaceutical industry as well as it is important to government for the formation of its policy towards pharmaceutical industry in India therefore the topic is chosen by the candidate for study.
REFERENCES


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