

Critical role of managerial competencies in productivity enhancement interventions

A HRM perspective

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Abstract Of all the problems faced by management, *productivity and its enhancement* must surely be ranked as one of the most intractable. However, unfortunately, there is no single theory relating to productivity *per se* that can completely and unqualifiedly be accepted as accounting for all the known facts, and there is no definite set of prescriptions that are unequivocally supported by research data. Who is responsible for “productivity”? Is the individual worker expected to possess and provide his own competencies, or are increasing productivity levels a function of work groups? Or is it the responsibility of management and leadership? Answers to these questions are not simple. Some researchers and authors see productivity as being contained within the individual, while others view it as arising from sources outside the individual. In this chapter, we examine both points of view and show that all *interventions* aimed at productivity as well as its improvements encompass forces both within and external to the individual member of any organization. Developing and improving *competencies* to raise the productivity bar is required not just for individuals who plan to enter managerial positions or who currently manage organizations. It is needed to help anyone and everyone who wants to manage many aspects of life and relationships more and better. We need to change our behavior to acquire and develop competence, and to be savvier in our relationships with different kinds of people. People’s productivity rises if they improve their social and emotional intelligence. Fostering the development of such intelligence and coming up with an appropriate set of individual, interpersonal, and group interventions for registering higher and ever-increasing levels of productivity in organizations from a human resource management (HRM) perspective is the main theme of this chapter.

6.1 Introduction

Management is the principal activity that *makes a difference* in how well organizations serve people affected by them. How successfully an organization

achieves its objectives and satisfies social responsibilities depends to a large extent on its managers. If managers do their jobs well, an organization will probably achieve its goals and become *productive*. How well managers do their jobs – managerial performance – is the subject of much debate, analysis, and confusion in the USA and many other countries. So is organizational performance – the measure of how well organizations do *their* jobs. In this context, we need to discuss many different concepts and criteria for evaluating managers and organizations leading to their ultimate productivity.

Peter F. Drucker, one of the most respected writers on management, suggested two concepts: efficiency and effectiveness. As he puts it, *efficiency* means “doing things right” and *effectiveness* means “doing the right thing.” A manager who is both efficient and effective is said to be *productive*. Efficiency – the ability to do the things right – is an input–output concept. An efficient manager is one who achieves outputs, or results, that measure up to the inputs (human resources, materials, and time) used to achieve them. Managers who are able to minimize the cost of the resources needed to achieve goals act efficiently. Effectiveness, in contrast, involves choosing the right goals. A manager who selects an inappropriate goal – say, producing mainly large cars when demand for small cars is soaring – is an ineffective manager, even if the large cars are produced with maximum efficiency. Managers at General Motors (GM) learned this lesson the hard way. When the demand for fuel-efficient, smaller cars increased in the 1970s, GM ignored the competition created by the Japanese and Germans, believing that the trends were an aberration and that Americans, loyal to American products, would not continue to buy foreign cars. As a consequence, they continued to produce large, fuel-inefficient cars and in so doing lost enormous competitive ground to these new rivals. *No amount of efficiency can make up for a lack of effectiveness.*

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In fact, Drucker says, effectiveness is the key to an organization's productivity and success. Before we can focus on doing things efficiently, we need to be sure we have found the right things to do.

In this context, human resources management (HRM) is critical for all managers of an organization, for at least two reasons. First, it can improve *productivity*, which improves an organization's financial health. Second, it can help organizations meet customers' *competitive priorities*. Productivity, the ratio of output to input, is a measure of a manager's or an employee's efficiency in using an organization's scarce resources to produce goods and services. The higher

TABLE 6.1 Characteristics of Products and Services. Source: Adapted from [12]

Dimension	Product	Service
Output	Tangible	Intangible
Output consumption	Can be stored over time	Immediate; cannot be stored
Nature of work	Producer intensive	Labor intensive
Customer contact	Minimal, indirect	Direct
Customer participation	Little or none	Essential

the numerical value of this ratio, the greater the efficiency. Ernst & Young managers use “hoteling” to affect both parts of this ratio. They seek to cut inputs (space costs) and to boost the output of traveling accountants. To understand the connection between productivity and efficiency, we need to look at the following Table 6.1 and try to visualize it as a series of strategic control points; the points refer to junctures at which a major change occurs.

In filling a customer order, for example, strategic control points would occur when the purchase order becomes an invoice, when an inventory item becomes an item to be shipped, and when an item to be shipped becomes part of a truckload of goods to be delivered. Any of these strategic control points is a potential source of confusion and inefficiency, as work is passed from one set of workers to another.

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An unclear form or a confusing policy – say, for handling out-of-stock items – creates the risk that orders will be lost or mishandled, wasting valuable time, money, or energy. From this vantage point, the operations system looks like a sieve that can leak valuable resources unless it is managed efficiently. Productivity offers one measure of this efficiency. For example, assume that a legal clinic with eight lawyers (the input) produces output consisting of 100 client consultations per day. Productivity would equal $100/8$ or 12.50. Assume that a second legal clinic next door has 15 lawyers handling 125 consultations per day. The productivity ratio would be $125/15$ or 8.33. The smaller clinic has a higher productivity ratio on a quantitative basis, which may or may not reflect anything about the quality of its output, of course!

Types of Productivity Ratios: There are two basic types of productivity ratios. The first, *total productivity*, relates the value of all output to the value of all input, using the ratio of total output to total input. The second, *partial*

productivity, relates the value of all output to the value of major categories of input, using the ratio of total output to partial input. The legal clinic is an example of a partial productivity ratio, called a *labor/employee productivity index* or *output per work-hour ratio*. Most productivity measures cited by economists and business executives are, in fact, labor/employee productivity indexes since human resources are one of the greatest ongoing costs for most organizations. Other partial productivity ratios measure the amount of scrap (wasted materials); the number of units that must be reworked or fixed before they meet quality standards; cycle time, the length of time to perform an operation; and downtime, the unproductive time spent retooling a production line or waiting for customers. Any of these measures gives an indication of whether resources are being used to good advantage or wasted.

Uses of productivity ratios: Productivity ratios can be calculated for a specific time period, which measures the efficiency of operations at that time, or they can be compared with other ratios over time, as a measure of gains or losses in productivity. For example, between 1988 and 1992, Mexican manufacturing employees recorded an approximate 6.5% average annual productivity increase, compared to 3% average annual gain over the same period by US-based manufacturing employees. In recent years, US manufacturers have tried to boost productivity by closing plants, downsizing, laying off production workers, and selling off falling or unwanted businesses.

Still, as an economic system, the USA lags behind Japan, South Korea, Great Britain, Norway, Sweden, France, and other countries in *productivity growth*. Many government officials and executives are searching for solutions to this problem.

Most companies develop competitive problems when managers lose sight of their organization's primary reason for being: *to produce quality products and services that consumers want at prices that seem reasonable*. This relates back to measures of organizational effectiveness: *the ability to set the "right" goals, ones that build on organizational strengths and meet the needs and wants of potential consumers*. Of course, needs and wants of an individual vary widely, as do price perceptions. Rather than try to be all things to all consumers, effective managers make strategic decisions about how their organizations can best meet their customers' competitive priorities through their human resources, and then adjust their operations accordingly.

After all, customers use an organization's products and services in their own competitive context, while organizations must keep in mind major competitive priorities such as pricing, quality level, quality reliability, and flexibility. Many experts say the problem is the emphasis on productivity itself. They charge that in trying to improve "the numbers" – quantitative measures of productivity –

too many US managers have focused on capital investment in automation as a way to reduce labor costs. This short-term focus has caused them to overlook the benefits of investing in the organization's human capital – employees and their skills – and improving quality.

This emphasis is changing as managers at more organizations concentrate on finding the right mix of capital investment and human investment. One of the most important trends in HRM is the focus on increasing workforce literacy, knowledge and skills that relate directly to job performance. Another is the trend toward participative management and the use of self-managed work teams to improve productivity and quality simultaneously. Investment in human capital is increasingly important not only to manufacturing but to the service and knowledge-oriented economy. As millions of people are displaced by technology, the downsizing of corporations, and competition from around the globe, issues of social responsibility of companies toward their employees become more crucial.

According to Peter Drucker, raising the productivity of service work is management's first social responsibility. He argues that we must work smarter. This involves making sure that continuous learning accompanies productivity gains and recognizing that knowledge workers and service workers learn most when they teach.

6.2 The critical role of managerial competencies

Predictions of the changes that will occur in the future are often notoriously wrong. No one doubts that the twenty-first century will continue to be characterized by chaotic, transformational, rapid-fire change. In fact, almost no sane person is willing to predict what the world will be like 50, 25, or even 15 years from now. Change is just too rapid and ubiquitous. The development of so-called *nanobombs* has caused some people to predict that personal computers and desktop monitors will land on the scrap heap of obsolescence within 20 years. The new computers will be a product of etchings on molecules lading to personalized data processors injected into the bloodstream, implanted in eyeglasses, or included in wristwatches. Tom Peters counseled managers that, due to the chaotic pace of change, "If you're not confused, you're not paying attention."

And the late Peter Drucker characterized the current environment thus: *people don't understand the world anymore, and the past is not sufficient to explain our current environment*. Almost everything is in flux, from our technology and methods of transacting business to the nature of education and the definition

of the family. Despite all this change in our environment, there is something that has remained, and continues to remain, relatively constant. With minor variations and stylistic differences, what has not changed in several thousand years are the basic skills and competencies that lie at the heart of effective, satisfying, growth-producing, and productive human relationships. Freedom, dignity, trust, love, and honesty in relationships have always been among the goals of human beings, and the same principles that brought about those outcomes in the eleventh century are still at work in the twenty-first century. Despite our circumstances, in other words, and despite technological resources we have available to us, the same basic human skills still lie at the heart of effective human interaction. It is a fact that when everything is changing, change becomes unmanageable.

6.2.1 What are management competencies?

There are several defining characteristics of managerial competencies that differentiate them from other kinds of managerial characteristics and practices.

First, they are behavioral in nature. They are not personality attributes or stylistic tendencies. They consist of identifiable sets of actions that individuals perform and that lead to certain productive outcomes. They can be observed by others, unlike attributes that are purely mental or are embedded in personality. Whereas people with different styles and personalities may apply the competencies differently, there are, nevertheless, a core set of observable attributes in effective skill performance that are common across a range of individual differences.

Second, they are controllable. The performance of these behaviors is under the control of the individual. Unlike organizational practices, such as “selectively hiring,” or cognitive activities, such as “transcending fear,” competencies can be consciously demonstrated, practiced, improved, or restrained by individuals themselves. They may certainly engage other people and require cognitive work, but they are behaviors that people can control themselves.

Third, they are developable. Performance and productivity can improve. Unlike IQ or certain personality or temperament attributes that remain relatively constant throughout life, individuals can improve their competency in skill performance to greater competency in management skills, and that outcome is the primary objective of any productivity enhancement interventions for a HR manager.

Fourth, they are interrelated and overlapping. It is difficult to demonstrate just one competency in isolation from others. They are simplistic, repetitive behaviors, but they are integrated sets of complex responses. Productive man-

agers, in particular, must rely on combinations of skills to achieve desired results. For example, to effectively motivate others, competencies such as supportive communication, influence, empowerment, and self-awareness may be required. Productive managers, in other words, develop a constellation of competencies that overlap and support one another and that allow flexibility in managing diverse situations.

Fifth, they are sometimes contradictory or paradoxical. For example, core management competencies are neither all soft and humanistic in orientation nor all hard-driving and directive. They are oriented neither toward teamwork and interpersonal relations exclusively nor toward individualism and technical entrepreneurship exclusively. A variety of competencies are typical of the most effective managers, and some of them appear incompatible.

6.2.2 Improving management competencies

It is a bit unnerving that while average IQ scores have increased in the population over the last half-century, social and emotional intelligence scores have actually declined. In the general population, people are less skilled at managing themselves and managing others than they were 50 years ago [7]. Moreover, whereas the “technological float” has shrunk dramatically – that is, the time between the introduction of a new technology and its being copied and revised is constantly decreasing and is now measured in weeks rather than years – the “human float” has changed very little. It still takes about the same amount of time to develop behavioral skills and human competencies as it always has. No shortcuts or quick fixes have emerged, and the effort and practice that are required to become more emotionally intelligent and interpersonally skilled is substantial. Progress regarding how to cope with and manage issues relating to other people has not kept pace with technological progress, and it remains the biggest challenge all managers in general and more particularly HR managers face.

6.2.3 An approach to competency development for productivity enhancement

Successful management development, of course, is more than just following a recipe of sequential behaviors. Developing highly competent management competencies is much more complicated than developing skills such as those associated with a trade. They are (1) linked to a more complex knowledge base than other types of competencies and (2) inherently connected to interaction with other (frequently unpredictable) individuals. A standardized approach to

welding or shooting free throws may be feasible, but no standardized approach to managing human beings is possible. The method that has been found to be most successful in helping individuals develop management competencies is based on social learning theory [1, 3, 13].

First, this approach marries rigorous conceptual knowledge with opportunities to practice and apply observable behaviors. It relies on cognitive work as well as behavioral work.

Second, individuals must be aware of their current level of skill competency and be motivated to improve upon that level in order to benefit from the model. Most people receive very little feedback about their current level of skill competency. Most organizations provide some kind of annual or semiannual assessment, but these assessments are almost always infrequent and narrow in scope, and they fail to evaluate performance in most critical competency areas.

Third, an application component is needed in the learning model. Most management skill training takes place in a classroom setting where feedback is immediate, and it is relatively safe to try out new behaviors and make mistakes. However, transferring learning to an actual job setting is often problematic. In summary, evidence suggests that a five-step learning model is most effective for helping individuals develop management competencies [14–17].

6.2.4 Competencies in personal, interpersonal, and group skills: an imperative for productivity enhancement

The message is simple and louder: from almost every perspective, competence in personal skills, interpersonal skills, and group skills is a critical prerequisite for productivity and success in management. Strong analytical and quantitative skills are important, but they are not sufficient. Productive managers must be able to work effectively with people. Research has shown that leadership and management skills fall into four clusters or categories. To be an effective manager, in other words, individuals must be competent in (1) clan skills, or a focus on collaboration; (2) adhocracy skills, or a focus on creation; (3) market skills, or a focus on competition; and (4) “hierarchy” skills, or a focus on control. Clan skills include those required to build effective interpersonal relationships and develop others (e.g., building teamwork, communicating supportively). Adhocracy skills include those required to manage the future, innovate, and promote change (e.g., solving problems creatively, articulating an energizing vision). Market skills include those required to compete effectively and manage external relationships (e.g., motivating others, using power and influence).

Hierarchy skills include those required to maintain control and stability (e.g., managing personal stress and time, solving problems rationally) [18]. Because

circumstances are constantly changing and expectations for performance and productivity are continually escalating, the traditional definition of management has become outmoded and irrelevant. Effective managers and leaders do largely the same things in dealing effectively with constant change and constant stability. *Twenty-first century managers need to develop competencies that will enhance our ability to be both leaders and managers.*

6.3 Contents of this book chapter

This chapter focuses on the skills that research has identified as being critically important for successful management and leadership.

Section 6.1 deals with personal skills: developing self-awareness, managing personal stress, and solving problems analytically and creatively. These skills focus on issues that may not involve other people but instead relate to the management of the self, hence the term personal skills. The section touches upon clusters of related behaviors, not just one single, simple skill. These clusters of interrelated behaviors comprise the overall management skills under the section heading. It may be mentioned here that each cluster is related to and overlaps with other personal management skills, so each relies at least partially on the others to be applied productively and successfully.

Section 6.2 deals with interpersonal skills: building relationships by communicating supportively, gaining power and influence, motivating others, and managing conflict. These skills focus primarily on issues that arise in our interactions with other people. Overlap exists among these skills, of course, so that one must rely on parts of many skill areas to apply any one competence effectively.

Section 6.3 covers group skills: empowering and delegating, building effective teams and teamwork, and leading positive change. These competencies focus on key issues that arise when one is involved with groups of people either as a leader or as a member of the group. As with all the skills to be discussed in this chapter, overlap occurs among group skills as well as with personal and interpersonal skills.

Conversely, as we progress from personal to interpersonal to group skills, the core competencies developed in the previous skill area will help support successful application of the new skill area.

6.4 Improving personal competencies

6.4.1 Self-awareness

Most parts of Section 6.1 relate to skills in interpersonal or group interactions, but successful competency development in those areas will occur only if individuals have a firm foundation in self-awareness. In fact, there is an interesting paradox in human behavior: we can know others only by knowing ourselves, but we can know ourselves only by knowing others. Our knowledge of others, and therefore our ability to manage or interact successfully with them, comes from relating what we see in them to our own experience. If we are not self-aware, we have no basis for knowing how to recognize and understand others. Self-recognition leads to recognition and understanding of others. As Harris [19] puts it, “nothing is really personal that is not first interpersonal, beginning with the infant’s shock of separation from the umbilical cord.” What we know about ourselves comes only from the outside and is interpreted by the kind of experience we have had, and what we know about others comes only from analogy with our own network of feelings.

Companies have begun to discover the power of developing self-awareness among its managers. An awareness of how individuals differ in their emotional maturity, value priorities, and maturity of values, cognitive style, orientation toward change, and personality has helped many companies cope better with interpersonal conflicts, botched communications, breakdowns in trust, and misunderstandings. Not only does self-awareness training assist individuals in their ability to understand, and thereby manage, themselves, but it is also important in helping individuals develop understanding of the differences in others. Most people will regularly encounter individuals who possess different styles, different sets of values, and different perspectives than they do. Most workplaces are becoming more, not less, diverse. Self-awareness training can be a valuable tool in helping individuals develop empathy and understanding for the expanding diversity they will face in work settings. Self-awareness is a key component of and prerequisite for successful management.

Following are the *behavioral guidelines* relating to the improvement of self-awareness.

1. Identify your sensitive areas. Determine what information about yourself you are most likely to defend against.
2. Use the seven dimensions of national culture to identify differences between your own values orientation and that of individuals from other cultures, age categories, or ethnic groups.

3. Identify a comprehensive, consistent, and universal set of principles on which you will base your behavior. Identify the most important terminal and instrumental values that guide your decisions.
4. Expand your cognitive style, your tolerance of ambiguity, and your internal locus of control by increasing your exposure to new information and engaging in different kinds of activities than you are used to. Seek ways to expand and broaden yourself.
5. Enhance your emotional intelligence by consciously monitoring your own emotional responses and by practicing the reading of others' emotional cues.
6. Develop a healthy core self-assessment and positive self-regard by consciously capitalizing on your personal strengths and by highlighting and building on your accomplishments.
7. Engage in honest self-disclosure with someone who is close to you and accepting of you. Check out aspects of yourself that you are not sure of.
8. Keep a journal, and make time regularly to engage in self-analysis. Balance life's activities with some time for self-renewal.

6.4.2 Competency to manage personal stress

The best way to manage stress is to eliminate it through time management, work redesign, prioritizing, goal setting, and *small wins*. This strategy has permanent consequences, but it often takes an extended period of time to implement. Four kinds of stressors, time, encounter, situational, and anticipatory, cause negative physiological, psychological, and social reactions in individuals. These reactions are moderated by the *resiliency* that individuals have developed for coping with stress. Improving one's resiliency is an effective stress management strategy. When stressors are long lasting or are impossible to remove, coping requires the development of personal resiliency.

This is the capacity to withstand or manage the negative effects of stress, to bounce back from adversity, and to endure difficult situations [9]. Physiological resiliency is strengthened through increased cardiovascular conditioning and improved diet. Psychological resiliency and hardiness are improved by practicing a small-wins strategy and deep relaxation. Social resiliency is increased by fostering mentoring relationships and teamwork among coworkers. These strategies produce long-term benefits, but they also take quite a long time to implement. When circumstances make it impossible to apply longer-term strategies for reducing stress, short-term relaxation techniques can temporarily alleviate the symptoms of stress. These strategies have short-term consequences, but they can be applied immediately and repeated over and over again.

Eliminating sources of stress and developing resiliency to stress are the most desirable stress-management strategies as they have a permanent or long-term effect on our well-being. However, the occurrence of stressors is sometimes beyond our control, so it may be impossible to eliminate them. Moreover, developing resiliency takes time, so sometimes we must use temporary reactive mechanisms to maintain equilibrium. Although increased resilience can buffer the harmful effects of stress, we must sometimes take immediate action in the short term to cope with stress.

Implementing short-term strategies reduces stress temporarily so that longer-term stress-elimination or resiliency strategies are largely reactive and must be repeated whenever stressors are encountered because, unlike other strategies, their effects are only temporary. Five of the best-known and easiest-to-learn techniques are (i) *muscle relaxation* and (ii) *deep breathing* which are physiological, and (iii) *imagery* and *fantasy*, (iv) *rehearsal*, and (v) *reframing* which are psychological. Muscle relaxation involves easing the tension in successive muscle groups. Deep breathing is done by taking several successive slow, deep breaths and holding them for five seconds. *Imagery and fantasy* eliminate stress temporarily by changing the focus of one's thoughts. Imagery involves visualizing an event using "mind pictures." An increasingly common practice for athletes is to visualize successful performance or to imagine themselves achieving their goal. Research has confirmed both the stress-reduction advantages of this technique as well as the performance enhancement benefits (e.g., [5]). Using a *rehearsal* technique, people work themselves through potentially stressful situations, trying out different scenarios and alternative reactions.

Appropriate reactions are rehearsed, either in a safe environment before stress occurs or "off-line," in private, in the midst of a stressful situation. Reframing involves temporarily reducing stress by optimistically redefining a situation as manageable. It serves as a key to developing "hardiness" and "emotional intelligence."

6.4.3 Competency to solve problems analytically and creatively

In the twenty-first century, almost no manager or organization can afford to stand still, to rely on past practices, and to avoid innovation. In a fast-paced environment in which the half-life of knowledge is about 3 years and the half-life of almost any technology is counted in weeks and months instead of years, creative problem solving is increasingly a prerequisite for success. The digital revolution makes the rapid production of new ideas almost mandatory. This is not to negate the importance of analytical problem solving, of course.

The quality revolution of the 1980s and 1990s taught us important lessons about carefully prescribed, sequential, and analytical problem-solving processes. Error rates, response times, and missed deadlines dropped dramatically when analytical problem solving was institutionalized in manufacturing and service companies. Problem solving is a competency that is required of every person in almost every aspect of life. Seldom does an hour go by without an individual's being faced with the need to solve some kind of problem. The manager's job, in particular, is inherently a problem-solving job.

If there were no problems in organizations, there would be no need for managers. Therefore, it is hard to conceive of an incompetent problem solver succeeding and being productive as a manager. Effective managers are able to solve problems both analytically and creatively, even though different competencies are required for each type of problem. Managers use analytical problem solving many times each day. Creative problem solving occurs less frequently but separates career successes from career failures, heroes from goats, and achievers from derailed executives. It can also have a dramatic impact on organizational effectiveness. A great deal of research has highlighted the positive relationship between creative problem solving and successful organizations [11]. Managers need to foster creative problem solving and innovation among their coworkers.

6.5 Improving interpersonal personal competencies

6.5.1 Competency to build positive interpersonal relationships

A great deal of research supports the idea that positive interpersonal relationships are key to creating positive energy in people's lives [6, 25]. When people experience positive – even if they are just temporary encounters – they are elevated, revitalized, and enlivened. Positive relationships create positive energy. The effects of positive relationships are much stronger and longer lasting than just making people feel happy or uplifted, however. Several benefits occur because positive relationships actually strengthen the immune system, the cardiovascular system, and the hormonal system [21–23]. People's intellectual capacities are actually broadened (mental acuity expands), they learn more and more efficiently, and they make fewer mental errors when experiencing positive relationships [24]. Creativity and innovation, as well as the system's capacity to adapt to change, are substantially higher when positive relationships characterize the workforce [6, 25].

On the other hand, in study after study, communication problems are identified as the single biggest impediment to positive relationships and positive per-

formance in organizations [26, 27]. The ability to communicate supportively is the single most important skill that effective managers must possess. The most important barriers to effective communication in organizations are interpersonal. Much technological progress has been made in the last two decades in improving the accuracy of message delivery in organizations, but communication problems persist among people, regardless of their relationships or roles. A major reason for these problems is that a great deal of communication does not support a positive interpersonal relationship. Instead, it frequently engenders distrust, hostility, defensiveness, and feelings of incompetence and low self-esteem.

6.5.2 Building a strong power base and using influence wisely as a managerial competence

It should come as no surprise that many authorities argue that the effective use of power is the most critical element of management. One such authority, Warren Bennis, seeking the quintessential ingredients of effective leaders, found that most influential leaders in all walks of our society shared one significant characteristic: they made others feel powerful. They became powerful as they learned how to build a strong power base in their organizations or institutions.

They were influential because they used their power to help peers and subordinates accomplish exceptional tasks. It requires no particular power, skill, or genius to accomplish the ordinary. But it is difficult to do the truly unusual without political clout [2]. Two competencies, gaining power and translating that power into influence, must be developed if one is to maximize one's potential as a power holder. A strong person in a weak position and a weak person in a strong position are both at a disadvantage. Ideally, one should grow into a strong person in a strong position to become and remain productive.

6.5.3 The skill of interpersonal conflict management as a management competency

Conflict is a difficult and controversial topic because in most cultures it has negative connotations as it runs counter to the notion that we should get along with people by being kind and friendly. Although many people intellectually understand the value of conflict, they feel uncomfortable when confronted by it. Their discomfort may result from a lack of understanding of the conflict process as well as from a lack of training in how to handle interpersonal confrontations effectively. One of the leading causes of business failure among major corporations is too much agreement among top management. A conflict

over issues is not only likely within top-management teams but also valuable. Such conflict provides executives with a more inclusive range of information, a deeper understanding of the issues, and a richer set of possible solutions.

Research evidence suggests that the alternative to conflict is usually not disagreement but apathy and disengagement. In fast-paced markets, successful strategic decisions are most likely to be made by teams that promote active and broad conflict over issues without sacrificing speed. The key to doing so is to mitigate interpersonal conflict [28]. Managers need to focus more on the effective implementation of a specific conflict management approach that is both the most effective, all-purpose tool and the most difficult to use comfortably and skillfully – collaborative problem solving. It takes little skill to impose one's authority or positional power that can be exercised over another person either (i) to withdraw from a confrontation, or (ii) to split the difference between opponents, or (iii) to abandon one's position at the slightest sign of opposition. It calls for equipping oneself with the necessary behavioral constellations for resolving an interpersonal confrontation involving complaints and criticisms by using a problem-solving approach and creating win-win situations.

6.6 Improving group competencies

6.6.1 Empowering and delegating as a management competency

Empowerment is based on a set of assumptions that contrast with those normally made by managers. It means helping to develop in others a sense of self-efficacy, self-determinism, personal control, meaning, and trust. The present business environment is not particularly compatible with the principles of managerial empowerment. Because of the turbulent, complex, competitive circumstances that many organizations face, managers frequently experience a tendency to be less, rather than more, empowering. When managers feel threatened, they become rigid and seek more control over other people, not less. However, without empowered employees, organizations cannot succeed in the long run. Learning how to be a competent, empowering manager is therefore a critical skill for individuals who probably have a predilection not to practice empowerment. Empowerment means providing freedom for people to do successfully what they want to do, rather than getting them to do what you want them to do. Managers who empower people remove controls, constraints, and boundaries for them instead of motivating, directing, or stimulating their behavior. Empowering others, however, can lead to dilemmas.

On the one hand, evidence shows that empowered employees are more productive, more satisfied, and more innovative, and they create higher-quality products and services than unempowered employees [29–33]. Organizations are more effective when they have an empowered workforce [4, 34, 35]. Producing a sense of empowerment in others and delegating in a way that empowers subordinates also brings desirable outcomes for organizations and employees. Empowered employees are more proactive and innovative, persistent in their work, trustworthy, interpersonally effective, and intrinsically motivated and have higher morale and commitment than employees who are not empowered.

6.6.2 Building effective teams and team work in work teams as a management competency

All of us are members of multiple teams – at work, at home, and in the community. Teams are becoming increasingly prevalent in the workplace and in the classroom because they have been shown to be powerful tools in improving the performance and productivity of individuals and organizations.

Consequently, it is important to become proficient in leading and participating in teams. It is obvious that merely bringing people together and giving them an assigned task does not make them a team. There are three types of team skills: diagnosing and facilitating team development, leading a team, and being an effective team member. There exists a strong relationship among these three key competencies with highly productive and effective team performance. But to be skillful, managers need to hone their ability to perform each of these skills competently. Developing team skills is important because of the tremendous explosion in the use of teams in work organizations over the last decade or so. Empowered teams, autonomous work groups, semiautonomous teams, self-managing teams, self-determining teams, crews, platoons, cross-functional teams, top-management teams, quality circles, project teams, task forces, virtual teams, emergency response teams, and committees are all examples of the various manifestations of teams and teamwork that appear in the scholarly literature, and research has been conducted on each of these team forms.

However, managers need to hone and develop skills that are relevant in most or all of these kinds of situations, whether as team builders, team leaders, or team members. One management consultant, Tom Peters [10, p. 306], even asserted:

Are there any limits to the use of teams? Can we find places or circumstances where a team structure doesn't make sense? Answer: No, as far as I can determine. That's unequivocal, and meant to be. Some situations may seem to

lend themselves more to team-based management than others. Nonetheless, I observe that the power of the team is so great that it is often wise to violate apparent common sense and force a team structure on almost anything.

One reason for the escalation in the desirability of teamwork is that increasing amounts of data show improvements in productivity, quality, and morale when teams are utilized. Many companies have attributed their performance improvements directly to the institution of teams in the workplace [36–40].

6.7 Concluding comments and summary

A person's productivity rises if he improves his social and emotional intelligence. John Holt [8, p. 165] succinctly summarizes this by equating the skill to enhance one's productivity to intelligence.

When we talk about intelligence, we do not mean the ability to get a good score on a certain kind of test or even the ability to do well in school; these are at best only indicators of something larger, deeper, and far more important. By intelligence, we mean a style of life, a way of behaving in various situations. The true test of intelligence is not how much we know how to do, but how we behave when we don't know what to do.

Fostering the development of such intelligence and coming up with an appropriate set of individual, interpersonal, and group interventions for registering higher and higher levels of productivity in organizations from a human resource perspective is the main theme of this chapter.

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