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Providing the Applicable Model of Performance Management with Competencies Oriented

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Abstract

The talented & meritorious human capital is the source of competitive advantage and is of great importance that on the basis of it the performance of employees is assessed. The aim of this study was to provide the applicable model of performance management with competencies oriented in Entekhab Industrial Group. The population of the study was a group of 550 of industrial employees. Simple random sampling was used and the sample size was estimated 230 people using Morgan table. Based on the literature and research in this area, key indicators of performance evaluation in terms of staff competencies, namely knowledge, skill, attitude and working style and the working results were identified. Using the experts' opinion, a researcher-made questionnaire was developed as the instrument for data collection and the data were analyzed by SPSS. The results of the analysis indicated that all the research objectives were supported. As observed, among the dimensions of competency-based performance management, working results(outcomes) and the staff knowledge had the highest and the lowest mean in the Entekhab Industrial Group, respectively.

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1. Introduction

Survival of any organization is of the main pillars of its existence philosophy. If an organization chooses the path of growth and excellence, then it needs to evaluate its performance. If an organization's efficiency, effectiveness, productivity and other factors affecting performance are low, the output of the organization is not desirable and will not create the value-added; and the organization will eventually fail. A contributing factor in the path of excellence can be defining and monitoring key indicators of performance. Thus, it can be said that the defining and monitoring the key performance indicators such as efficiency, effectiveness, productivity, profitability and income rate is a very important issue. Looking more closely, the human capital in each organization is the key to growth and excellence. It's the employees who should have competencies to fulfill these criteria.

What are the competencies? What are the dimensions? What capabilities the employees need to have to improve performance and achieve organization goals? With regard to the issues that were raised and the analysis done, it can be noted that the performance management system can play an important role in an organization. The concerns that were raised and the challenges that will be mentioned, have led to this research topic. Some of these challenges due to the lack of performance management systems in organizations are:

- The organizational positions are not handed to the right people in the organization (lack of meritocracy).
- Motivation management has lost importance and employees solely do their everyday tasks.
- The concept of organizational commitment has lost value and innovation declines.
- Evaluation of the performance of the organization is done with the aim of adjusting and firing.
- Education, quality improvement and staff development loses meaning.
- Career planning will not be conducted in the organization and promotion or job rotation is done traditionally and with managers' personal preferences.
- There is no model and scale for evaluating the performance of the staff.
- Services compensation management and payment system has no appropriate criterion.

Attention to the challenges intensifies the need for performance management. According to the statement of the problem and the challenges posed, what model can solve these challenges? What are the key components and the underlying index of this pattern? To solve these challenges, a model will be offered in which the key components and key indicators can be defined and formulated. In fact, the performance management can be an effective practice when related competencies are well-defined. One of the appropriate methods to determine these indicators in different aspects is using competencies indicator which leads to the formation of performance management based on competencies. Therefore, in this study, four aspects of competency in the areas of knowledge, skill, attitude and working style and working results were examined and evaluation of performance indicators is defined in each dimension.

2. Theoretical literature

In the literature, there are many definitions of competency. Sancher (in Chiang et al., 2006) defines competencies as a set of related knowledge, characteristics, attitudes and skills that affect many people's job. Competencies have correlation with individuals' performance. They can be evaluated using acceptable standards and be improved through training and development. According to the definition provided by the ISPI, the set of knowledge, skills and attitudes that enable people to effectively do activities or job performance based on standards expected are called competencies (Dianati, & Erfani, 2009).

Competence is one of those personal features that enables an individual to successfully perform the tasks they are assigned. Each competency is a combination of knowledge, skills, attitudes, or abilities (Mashhoodi, 2010). A person's ability to perform a job was called competency, but with time and research competence was referred to other concepts. Competence to perform a task is far beyond the capability of doing it. Competency is a term widely used, but has different meanings to different people. Competencies include the knowledge, skills, practices and behaviors that are causally associated with better job performance. So it can be concluded that with solely project management knowledge, a person is not made competent. They should also know how to use that knowledge and

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