

PERSONAL COMPETENCIES FROM THE PERSPECTIVE OF HUMAN RESOURCES MANAGEMENT AND THE BUSINESS PROGRAMMES OF HIGHER EDUCATION

Erika Varga, Ildikó Budavári-Takács, Helga Boda-Kinga, Ilona Bárdos

INTRODUCTION

The reason for the popularity of competencies can derive from the decline of classical scientific culture in parallel with the spread of mass higher education systems in the world of postmodernism (Scott, 1998). In order to manage work and career successfully it is essential to possess the proper resources and competencies (Ulrich et al., 2009).

However, there is no unified definition for competencies yet. It always depends on the context or situation what we actually mean by this term. Some Anglo-Saxon countries still prefer terms like ability, skill, know-how and qualification. Moreover, competencies are job-related. Job competencies are such knowledge, skill and ability parts that play a central part in career management and which can be influenced by the individual (Akkermans et al., 2013).

The Competent Manager by Boyatzis (1982) is still a great treasury for competency profiles and examples in which the manager has a key role. According to Boyatzis, job competency is an underlying characteristic of a person that leads to or causes superior or effective performance. Another useful resource is the book written by Spencer – Spencer (1993) 10 years later in which more than 1500 competency models can be found. The well-spread definition for competencies by Spencer and Spencer is the following: 'Competencies are underlying characteristic of an individual that is causally related to criterion referenced effective and/or superior performance in a job or situation' (Spencer-Spencer, 1993 p.9)

It was in the late 1960s and 1970s that the examination of competences came to the foreground in the world of labour. It was pointed

out that work performance and personality traits were much loosely related to predict how successful an applicant would be in a certain position (Mischel, 1968). It led to the analysis of behaviour (McClelland-Dailey, 1973). David McClelland went on arguing that the best predictors of outstanding on-the-job performance were underlying, enduring personal characteristics that he called competencies (McClelland, 1973).

Competencies can influence performance in agriculture to a great extent and they play a significant role in planning and implementing agricultural work (Magyari-Hajós 1994, Magyari-Hajós,1998). In the past 50 years several competence models have been constructed (Spencer-Spencer 1993, Bartram, 2005, Kurz, 1999, Borman - Motowidlo, 1993, Hogan - Holland, 2003, Campbell et al., 1993, Scullen et al., 2003).

However, not all the authors supported competency models or the idea itself. Who were against it noted that it is difficult, expensive and time-consuming to use (Herzberg, 2003). Dalton (1997) argues that competency models are a waste. He proposes that the two main flaws with current competency methods are the lack of future orientation and the means by which one could acquire these requisite future skills.

At our university, Szent István University of Gödöllő, Hungary our colleagues at the faculty of Economics and Social Sciences have also conducted several researches and published papers on the significance of competencies on the labour market recently (Bajor et al. 2001, Mészáros et al, 2007, J. Klér- Budavári-Takács, 2010, Varga et al, 2013, Csehné Papp, 2007). We followed the grouping of competencies based on József Nagy's theory (2010) as presented by Table 1.

Tab. 1: Categories of the examined competencies according to József Nagy

Personal	Social	Cognitive	Special
loyalty sense of responsibility endurance taking risks discretion decision making reliability independence self-discipline self-improvement preciseness punctuality coping with stress hard-working learning from mistakes endurance patience	cooperation initiative communication skills persuasion motivation organisational skills social awareness, empathy	preciseness problem solving flexibility ability to learn	EU basics economic skills communication in a foreign language IT skills technical skills entrepreneurial skills

Source: A személyiség kompetenciái és operációs rendszere (2010)

1 MATERIAL AND METHOD

We have chosen interviews as a method of primary research and standardised questionnaires were designed as an instrument. While processing questionnaires, a factor analysis as one of the bi-and multivariate methods was applied together with crosstab analysis, T-and F-trial and also variance analysis and Chi-square trial were used to explore the correlations statistically.

Before the quantitative phase in 2014, qualitative research was also conducted as one of the objectives was to compile and validate an independent competency structure tailored to the situation and the special features of the Hungarian labour market based on the opinion of the members in the sample. A focus group examination was conducted on the basis of a semi structured interview guide where interviews took place in heterogeneous groups based on company size.

In the second phase while processing the quantitative data this pre-tested and finalised competency structure was analysed and their relations were explored by means of a factor analysis. Questionnaires were distributed among the students and also the employers to detect the possible differences on the question

of the importance of competencies. When compiling the standardised questionnaire we strived to adjust questions to every level of measurement (nominal, ordinal, interval and ratio scale), which were open or closed questions.

The deadline of returning questionnaires was 30 June 2014. Altogether 1291 were returned of which 1264 could be assessed. Twenty seven had to be ignored. The number of elements in the sample was 1264 (of which 519 employers, 435 full time students and 310 correspondent students), 389 were sent back electronically and 875 were paper-based.

2 RESULTS

2.1 Evaluation of the questionnaire of students

The labour force of the future sees the collateral of a successful career in being able to make use of the knowledge gained. At present there is a need for adequate knowledge tailored to labour market requirements which can be used in practice, too. The improvement of basic skills and competencies was also marked as a very important objective and requirement in a message to (higher) education institutions as developing personality traits and personal competencies were stressed in the ranking.

This justifies the fact that higher education institutions have a key role in imparting the best and updated knowledge to their students tailored to market challenges, trends and requirements in addition to adapting to professional concepts and scientific standards.

Students thought that gaining new knowledge is also essential for success. This also highlights the viability of concepts such as lifelong learning and lifewide learning (LLL and LWL).

We were also curious to know the students' opinion about shifts in stress within the domain of competencies. In their opinion technical, economic and entrepreneurial skills together with the dominance of IT skills and foreign languages, learning from mistakes and discretion are the competencies that were appreciated to the greatest extent in the last 5 years. Table 2 presents the results.

Tab. 2: Evaluation of competencies (skills and abilities) in the last 5 years (in percentage) according to József Nagy's categorisation

	COMPETENCY	appreciated	no change	depreciated
PERSONAL COMPETENCIES	1. reliability	40	30	30
	2. sense of responsibility	42	22	36
	3. punctuality	48	20	32
	4. self-discipline	39	25	36
	5. preciseness	44	25	31
	6. persistency	38	27	35
	7. loyalty	45	26	29
	8. flexibility	54	14	32
	9. coping with stress	58	20	22
	10. hard working	49	25	26
	11. endurance	61	15	24
	12. taking risks	55	21	24
	13. decision making	44	19	37
	14. discretion	63	22	25
	15. learning from mistakes	62	12	26
	16. independence	35	19	46
	17. self-improvement	60	14	28
	18. patience	32	45	24
SOCIAL COMPETENCIES	1. communication skills	62	5	33
	2. social skills, empathy	41	41	18
	3. cooperation	37	33	30
	4. persuasion	50	8	42
	5. motivation	35	28	37
	6. initiative	49	16	35
	7. organisational skills	45	12	43
COGNITIVE COMPETENCIES	1. problem solving	51	14	35
	2. ability to learn	59	12	29
SPECIAL COMPETENCIES	1. communication in a foreign language	72	8	20
	2. IT skills	83	1	16
	3. entrepreneurial skills	50	10	40
	4. EU basics	49	9	42
	5. technical skills	57	8	35
	6. economic skills	60	6	34

Source: own research in 2014, N= 745

According to the results above students stated that the skills and abilities inevitable to become a successful entrepreneur (flexibility, decision making, discretion, taking risks and endurance)

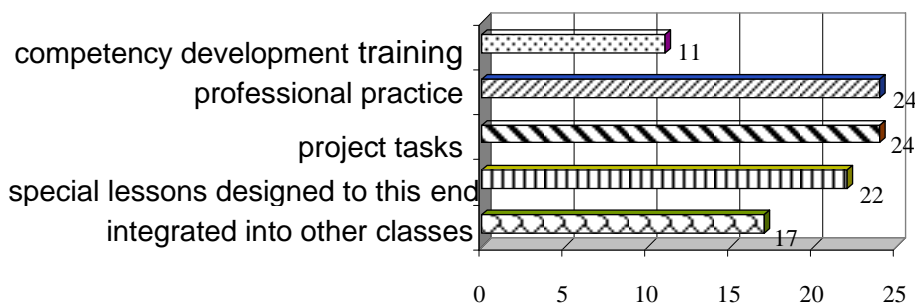
should be developed predominantly by higher education.

The three competencies that should urgently be developed are communication (62%), foreign

language (72%) and mathematics/IT (83%). The survey also found out that the majority of the students suggest that the formal, institutional 'classical' form of studying is not necessary at all times as competencies can

also be improved informally and not by a higher education institution. In parallel, respondents also named individual project tasks as the best way of developing the necessary competencies (Figure 1)

Fig. 1: Ideas in connection with competency development (% relative frequency, more than one answer)

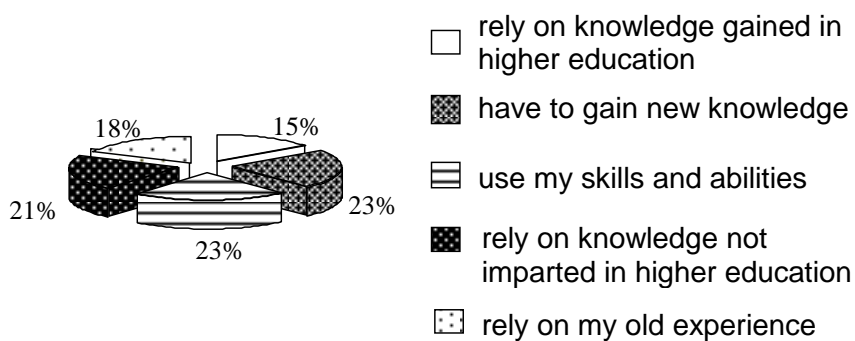


Source: own research in 2014, N= 745

Students were asked which competencies they use predominantly at work as most of them are

employed part-time or doing their internship period. The results are shown by Figure 2.

Fig. 2: The share of competencies used in work experience (average)



Source: own research in 2014. N=745, standard deviation: 0.7-1.0

In addition to technical, economic and EU basics self-improvement and ability to study are the competencies developed by higher

education. Labour market, however, requires coping with stress, cooperation and endurance.

A little gap between labour market requirement and competency development by higher

education was also present here, which can be utilised in rethinking competency development at schools to show the shift in proportions and also the skills that have to be stressed in developing to meet the demands of the labour market.

2.2 Evaluation of the questionnaire of employers

One of the important objectives of the research was to examine the opinion of employers about

the role that single competencies play in a successful career. The analysis was carried out on a 519-member sample. The results reflect that employers marked foreign language, good communication skills and IT skills are the most important.

We were also interested to know how the significance of competencies has changed during the last 5 years according to the employers. Responses are reflected by Table 3.

Tab. 3: Changes in the significance of competencies during the last 5 years according to József Nagy's categorisation (percentage)

	COMPETENCY	appreciated	no change	depreciated
PERSONAL COMPETENCIES	1. reliability	43	39	18
	2. sense of responsibility	30	50	20
	3. punctuality	38	46	15
	4. self-discipline	22	57	21
	5. preciseness	36	50	13
	6. persistency	50	37	14
	7. loyalty	30	47	23
	8. flexibility	51	40	9
	9. coping with stress	48	28	23
	10. hard working	42	42	16
	11. endurance	58	26	16
	12. taking risks	30	44	26
	13. decision making	30	47	22
	14. discretion	34	53	13
	15. learning from mistakes	40	53	7
	16. independence	45	38	17
	17. self-improvement	51	37	11
	18. patience	22	51	26
SOCIAL COMPETENCIES	1. communication skills	50	45	5
	2. social skills, empathy	23	42	35
	3. cooperation	44	43	13
	4. persuasion	42	45	13
	5. motivation	43	38	18
	6. initiative	32	49	19
	7. organisational skills	45	46	9
COGNITIVE COMPETENCIES	1. problem solving	50	39	9
	2. ability to learn	52	32	16
SPECIAL COMPETENCIES	1. communication in a foreign language	71	20	9
	2. IT skills	69	28	3
	3. entrepreneurial skills	42	48	10
	4. EU basics	33	56	11
	5. technical skills	33	49	18
	6. economic skills	36	53	11

Source: own research in 2014. N= 519

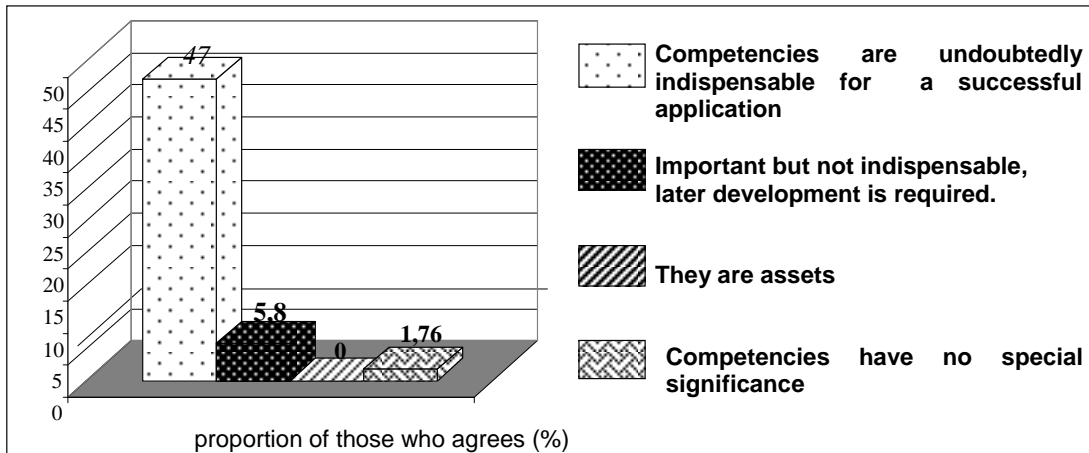
According to the members of the sample endurance, flexibility, problem solving and self-improvement are the competencies that have

been most appreciated. We also examined the most important skills and ability where technical skills were involved. It is also supported by labour market requirement where nowadays we

experience a great demand for engineers and employees with a technical background. Employers stress the necessity of working in a group, co-operating and working in a reliable way.

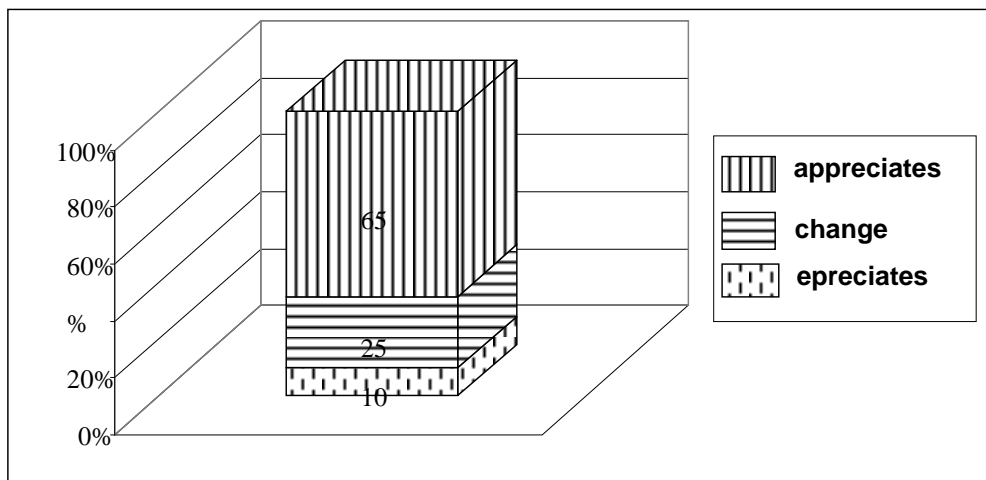
We also analysed the experts' opinion about the role of competencies at work (Figure 3) and also if this role appreciates, does not change or depreciates in the future (Figure 4). The majority stated that this role would appreciate in the future.

Fig. 3: The importance of competencies for a successful application



Source: own research in 2014. N= 519

Fig. 4: Evaluation of the future role of competencies (%)

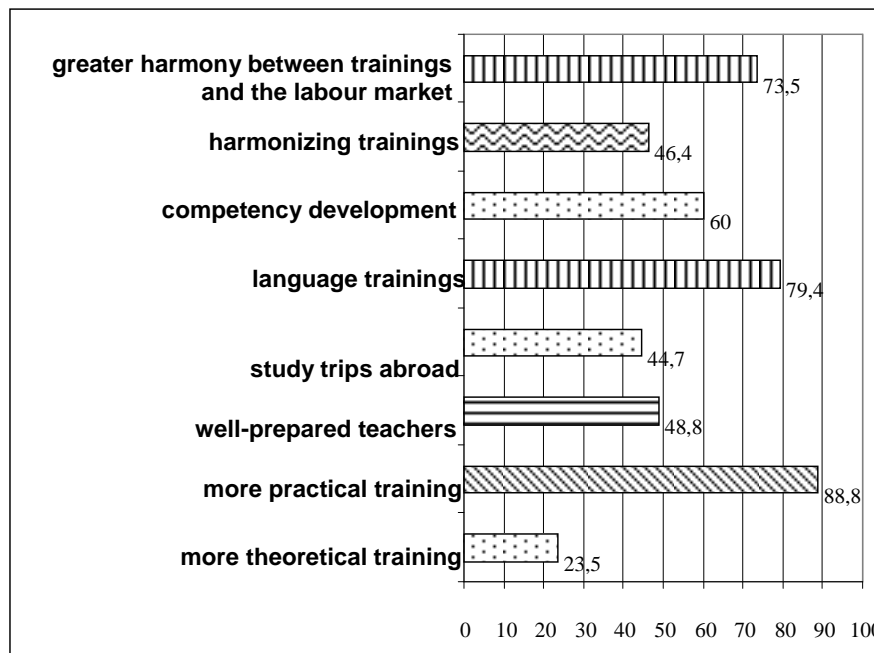


Source: own research in 2014. N= 519

We had another important objective, i.e. to get to know which competencies employers think education should develop and what changes would be required. Practical training and language competencies should be developed

the most. A greater harmony between labour market requirements and knowledge imparted should also be considered. Figure 5 and 6 presents the results.

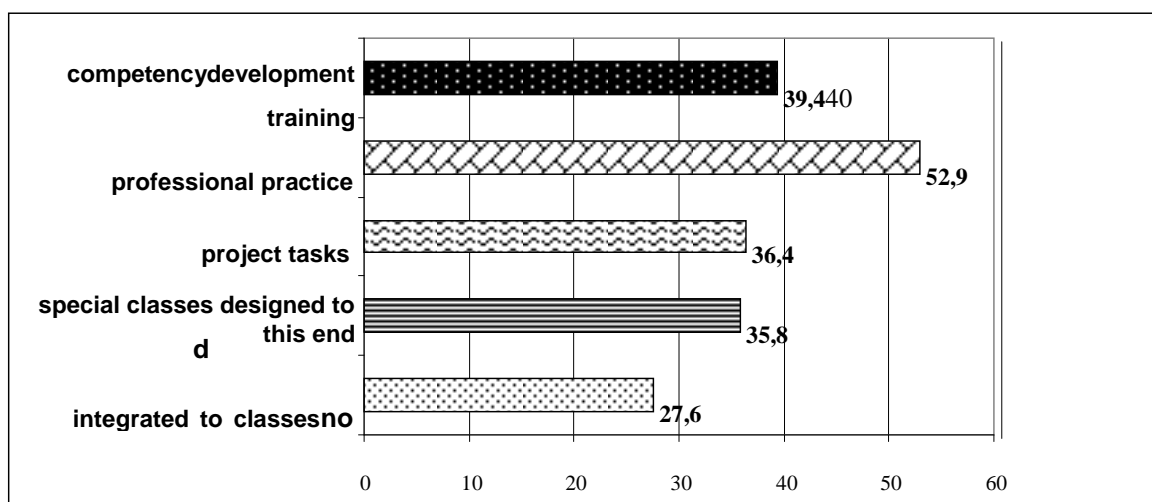
Fig. 5: Changes suggested in education (in percentage, relative frequency, more than one answer)



Source: own research in 2014. N= 519

Employers say these changes require more practical trainings, competency development trainings and special classes.

Fig. 6: Evaluation of different forms of competency development (in percentage, relative frequency, more than one answer)



Source: own research in 2014. N= 519

CONCLUSIONS AND RECOMMENDATIONS

In our opinion the paper helps highlight what key business competencies are that can increase and increase the competitiveness and

success of employees. Among others, we were striving to find an answer how competencies are re-evaluated and what are the skills and abilities that are no longer necessary for success in the labour market and also the ones

that were not necessary before but now they have become indispensable.

The importance of the so-called modern entrepreneurial competencies (ICT: communication, foreign language, IT) has been revealed, which is in perfect harmony with the requirements of the business sector. We would suggest developing these competencies more intensively either under institutionalised circumstances (at schools) or non-formal education.

Some cognitive competencies were regarded essential as nowadays a shift to the personal competencies have been made. It is not surprising that communication is the most relevant of the social competencies.

The explanation for the differences regarding the relevance or development of a competency lies in the fact that competencies are position and job-related but in our research we also made note of certain shifts in stress (and diverse special competencies) depending on company size and profile.

As competency development was regarded important both by (would-be) employees and employers, we would also recommend the contribution of a supporting organisational culture to certain personal competencies (such as self-improvement).

However, it must be noted when talking about the role of personal competencies that updating them and putting a proper stress on them is of vital importance in the content of the training, which could promote (better) harmonisation between the labour market and education.

As a result, we have proved the further appreciation of competencies in the future based on the opinion of the respondents. In addition, we have also concluded that it is necessary to improve the practical side of education and developing professional and general skills and abilities. It is one of the points where the dialogue between the labour market and education could be improved and also an area where further research must be conducted.

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**PERSONAL COMPETENCIES FROM THE PERSPECTIVE OF HUMAN RESOURCES
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Abstract

Our paper is centred on the research problem whether competencies are really essential as they play a significant role in human resource management and also enhance competitiveness. It wishes to highlight what competencies (can) enhance the success of employees and their competitiveness in the labour market together with certain personality traits that have a powerful impact on decision making mechanisms. An answer is also sought to the question of how competencies have been transformed and how their role was appreciated and re-evaluated. To this end, we applied both primary and secondary research with qualitative (focus group interviews) and quantitative (standardised questionnaires) phases. One of our further objectives was to create and test a competency structure tailored to the Hungarian labour market situation on the basis of the professional literature and our research. Based on the literature review we have supposed that it is not practical to talk about competencies in general, rather the adequate competency profile and portfolio has to be reviewed in a certain job or profession. As a conclusion, our research has underlined the importance of competencies in the labour market and justified their existence mostly in selection. Both parties, i.e. the employers and employees have pointed out the significance of developing them in training and practice and see competencies as a factor of future growth. Furthermore, they regard the role that competencies play indispensable in improving the dialogue between the labour market and education.

Keywords: competency; assessment; human resources; labour market

JEL Classification: M1, M5