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MODEL OF THE OPERATIONS MANAGER FOR THE 21st CENTURY

Abstract

In this paper, the results of many years of research in Macedonia are given for creating a model of operations manager in the organization with manufacturing and service activities. This research confirmed the common and specific competencies of operations managers in the country that are the basis for forming national standards for operation managers.

This paper contains various models of competence of the three dominant approaches in the United States, Britain, France, Germany and Austria. The paper includes knowledge, skills and competencies with in a holistic competence typology, adapted to the conditions in our country.

The theoretical goal of the research consists in the formulation of the set of competencies and testing of operational processes and functions.

The research methodology is: checking procedures for measuring and determining their validity, verification of used research techniques and measuring instruments as well as developing them with new components and elements for examining the impact of competencies on the success of operations managers.

The practical goal of the research is reflected in the applicability of the proposed model of the daily work of the operations managers.

If you take into consideration that this type of research is not so far conducted in the territory of the Republic Macedonia, the benefits and value of research are multiple.

Key words: model, operations manager, operations management, Human Resource Management.

INTRODUCTION

Competences of operations manager are a combination of personality, knowledge, skills and abilities. There are following indicators: ability for analyzing, organizing ability, ability to plan, to inspire others, ambition to realize, knowledgeable with economy, understanding society, ability to teach others, ability to gather and perform information, ability to solve problems and make decisions, ability to influence others. Unsatisfactory results in more organizations in the world, among other things, are due to inadequate management of human resources in terms of competencies and behaviors necessary for the efficient operation and effective implementation of organizational strategy. The main disadvantage of organizations in our region is the lack of a functioning system for operations management. The subject of the research is to define the impact of competence as an important factor for the successful execution of professional and operational functions in the relevant operational areas in manufacturing and service organizations.

Multi-dimensional holistic approach of competence is becoming more widespread and offers the opportunity to better align education and those based on work and taking advantage of synergies between formal education and experiential learning to develop professional competence.

COMPETENCES

Hamel and Prahalad (1994) defined the core competence as “collective learning in the organization, especially how to coordinate different production skills and integrate multiple streams of technologies” (Prahalad and Hamel, 1990: 82). From the perspective of resource competence of human resources can be unique or rare, difficult for competitors to imitate and are indispensable for their invaluable role in the concept of added value. (Cappelli and Crocker-Hefter, 1996; Ellestrom, 1992; Foss and Knudsen, 1996).

The basis of core competence approach, which recognizes “the complex interactions of people, skills and technologies, promote efficient operation and considers the importance of learning and addiction and the path of their evolution.” (Scarborough, 1998: 229). Describing competence as “vague concept” Boone and Van Der Klink still recognized as “useful term, bridging the gap between education and the needs of the work” (2002: 6).

Tacit competence, not just the professionals (Eraut, 2000), but also the so-called “unskilled” workers (Kusterer, 1978), may have a decisive influence on

the success of the enterprise (Flanagan et al., 1993). In view of the terminological and conceptual confusion about the competencies, there have been set off three dominant approaches which began relatively independently, first in US and then in the UK and more recently in France and Germany. These approaches are contrasted before proposing a comprehensive holistic typology of competence.

OPERATIONS MANAGERS

The operations managers are responsible for managing employees with operational functions within which the transformation of resources. (Nigel Slack, Stuart Chambers, Robert Johnson, 2004). Operation managers in different organizations can be found under different names, depending on the activity of the organization (manager of fleet distribution company, administrative manager at the hospital or store manager at the supermarket). All managers need all kinds of skills, but the total sum is different in hierarchical levels of management. (R. Steward, 1987: 385).

In large companies, where there are numerous business sectors, the role of operation manager is very important for the functioning of the entire system. The sectors are numerous and can have no mutual relationship, but are important for the system. There is no company in the world that could successfully function without this man. With increasing competition and globalization trends, the dynamics of the operation of companies is getting more and more intense. Therefore the intensity of the work of the CEO - CEO (Chief Executive Officer), dramatically increases and requires great dedication and time. Since it expected its time passes more and more out of the company, while it should be someone who will take responsibility for monitoring and controlling its operations on a daily basis. Therefore the role of Chief Operating Officer - COO becomes necessary and essential for the proper functioning of companies, especially larger ones.

Some of Macedonian businessmen that formed after private companies began the process of transition, often tend to fall into a trap when the growth of the firm exceeds their managerial and human capacity and then have a problem to delegate responsible tasks to someone else, believing that no one would could do the job as they would have done. Even if they decide to appoint an operations manager, always see it be a person who previously worked in the company and which have enormous trust.

RESEARCH METHODOLOGY

Research problem

In the literature, researchers in the field of operations management increasingly suggest building the position of operations manager at the level of professionalism. The ability to meet the challenges posed between the top management and line management lies in building a model of competence operations manager that eventually creating national standards. In fact, organizations are faced with a problem which is defined as an inadequate approach to operations management, expressed through a lack of competent designated operations managers, which leads to unprofessional performance of operational functions in the respective operational areas.

Subject of research

The subject of this research is to define common and specific competencies of operations managers in Macedonia, i.e. the impact of competencies as an important factor for successful and professional performance of operational functions in the respective operational areas.

Hypotheses

General hypothesis

Operations managers in the country jointly and specific competencies required for successful and professional performance in the workplace.

Special hypothesis

H-1. Operations managers jointly competencies needed to perform tasks, work activities in the context of work.

H-2. Before operations managers are required level requirements (knowledge, education, skills, abilities and work style) to meet to successfully perform their job.

H-3. The special competencies of operations managers are specific to each type of activity.

H-4. The level of assessment of the competencies required for the implementation of tasks and activities and meeting the requirements will be determined individually for all managers (top, operations and line).

H-5. The competences and fulfilling the requirements of management between

deterministic samples by gender is not expected to determine statistically significant differences.

H-6. The competences and fulfilling the requirements of management between deterministic samples seniority expected to determine statistically significant differences.

H-7. In competencies required to execute the work tasks and activities among managers in the three levels of management are expected to determine differences.

H-8. In fulfillment of the requirements between managers in the three levels of management are expected to determine differences.

H-9. The impact and the relationship between the competencies required to execute the tasks and activities in fulfilling the requirements of all three levels of management in the survey expect differences.

Methodological approach and research design

According to type, this research is empirical research. Empirical data will be used in the research will be of primary sources. Primary empirical data will be obtained from questionnaires distributed to respondents (top, operational and line managers) and checklist of the work of operations managers their jobs.

Determination in the sample to include organizations of production and services is to include more activities, first, because of the possibility to extract some general observations regarding the subject of research at the national level and, secondly, through a comparative analysis to see differences (specific competencies)

The division of organizations by sector of activity classification was made according to the State Statistical Office. It covers various types of manufacturing and service organizations.

An additional criterion for selection of the organizations is done according to the number of employee's indicator (> 30).

The design of the research and creation of tools is based on:

- previous empirical surveys and tools already developed by the most important researchers of the theory of competencies for managers in England and Wales. (Mansfield and Mitchell, 1996). National vocational qualifications, created in this framework are based on professional standards of competence, grounded in functional analysis of occupations in different contexts. Management standards were developed and tested with over 3,000 managers across a range of sectors (Frank, 1991). Professional standards identify key roles, which are then parsed into a number of units of competency. These are further divided into more elements of competence for each element of competence has performance criteria they define the basis of assessment, ranging indicators

provided guidance. Professional standards are firmly rooted in the reality of work (Mansfield, 1993); employers play a leading role in their validation, as well as trade unions in union sectors. However, participation by employers in the formal professional qualification system is far from universal, partly because of the perception of a lack of relevance to the specific needs of the employer and partly due to the bureaucracy associated with assessment procedures. The assessment of competence includes accreditation of the competence of individuals from the actual performance of the job, which is designed to ensure the continued relevance of the work situation (Miller, 1991), although there is evidence that assessment fails to realize many of the results of informal learning.

- observations, experiences, observations and findings of the author on the specifics of the researched variables in the Macedonian context (national and organizational culture, economic conditions, economic trends, market conditions, social conditions).

The collection of data from the researched organizations began distributing the questionnaire to the top management, operational management and line management which may include questions that will serve as control variables in the survey:

- organization size (measured by number of regularly employed full-time);
- years of existence of the organization (operated as the date of establishment) and
- ownership structure: public company (state-owned) or private company (foreign investor shareholding company - JSC private - LLC).

This questionnaire will include line managers (supervisors, controllers, supervisors) who are directly responsible and competent to respond to their superiors (operations managers) and are potential neutralizers of the possible occurrence of socially desirable responses / answers biased by top management.

By completing the checklist, operation managers conduct the assessment of their special competence in different sectors.

Analysis and interpretation of research results

All data were processed using SPSS statistical program which numerical indicators is the best way corresponds to what the methodology is defined as an indicator of a phenomenon.

In order to realize our research aims to evaluate the joint and specific competencies of operations managers in the country, 224 respondents were surveyed, 40 top managers, 104 operations managers line 80 supervisors who are directly responsible

and competent to respond to their superiors (operations managers) and are potential neutralizers possible occurrence of socially desirable responses / answers biased by top management.

Table 1. *Gender of respondents*

		Frequency	Valid Percent
Valid	male	156	69,6
	femalei	68	30,4
	Total	224	100,0
Missing	System	2	
Total		226	

Table 2 *Age of respondents*

		Frequency	Valid Percent
Valid	20-30	11	
	31-40	70	31,3
	41-50	104	46,4
	51-60	34	15,2
	61-70	5	2,2
	Total	224	100,0
Missing	System	2	
Total		226	

Table 3 *Vocational preparation of respondents*

		Frequency	Valid Percent
Valid	secondary	58	25,9
	faculty	159	71,0
	m-r	5	2,2
	d-r	2	,9
	Total	224	100,0
Missing	System	2	
Total		226	

Table 4. *Work experience in the organization*

		Frequency	Valid Percent
Valid	0-5	24	10,7
	6-10	68	30,4
	11-15	47	21,0
	16-20	44	19,6
	more 20	41	18,3
	Total	224	100,0
Missing	System	2	
Total		226	

From the above parameters of the survey form following profile of an operations manager in RM:

- Male- in production activities
- Female – in accounting, finance, hospitality, education (services)
- Age: 41-50 years
- Work Experience: 11-15 years
- Work experience as an operating manager: 6- 10 years
- Education: University degree, 26% SSS (21 of 80 respondents)
- Competences: common and special
- Requirements: knowledge, skills, abilities and work style.
- Operations managers are encountered in most organization with over 30 employees.

From the table 5 we may note that the values obtained in the first part of it tell us about the equality of variance of Leven's test. According to him, because the significance is greater than 0,05 (Sig. = 0,228) are considered indicators of the first row of the table (Equal variances assumed). T-test of independent samples which compares between the demands of operations managers (b. Skills) observed significant differences between SUP sample of respondents with experience of 1 to 10 years with soup sample work experience of 11 and more years significance of the values obtained $t = 3,327$ and Sig. = 0.001. Median differences between the two groups are .145. The limit ranges from 95% probability range from .058 lower (Lower) do .231 upper (Upper) borders.

Table 5. Requirements, skills, among SUP samples with experience of operations managers

Independent Samples Test									
	Levene's Test for Equality of Variances		t-test for Equality of Means						
	F	Sig.	t	Df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
								Lower	Upper
Equal variances assumed	1.470	0.228	3.327	102.000	0.001	0.145	0.043	0.058	0.231
Equal variances not assumed			3.314	98.755	0.001	0.145	0.044	0.058	0.231

Table 6. Arithmetic differences in levels of management

COMPETENCES	N	Subset for alpha = 0.05		
		1	2	3
1.TOP	40	3,63		
3. LINE	80	3,79		
2. OPERATIONS MANAGERS	104	3,92		

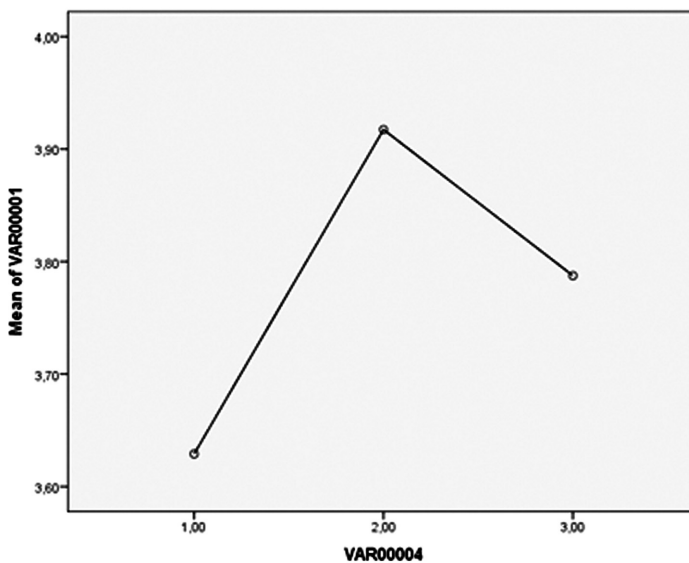


Table 7. Relationship between competencies and requirements for operations managers

Operations mangers	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
knowledge	0.055	0.081	0.116	0.680	0.501
Skills	0.021	0.079	0.046	0.266	0.792
abilities	-0.056	0.060	-0.158	-0.931	0.358
work style.	0.004	0.097	0.008	0.046	0.963
R	R Square	Adjusted R Square	Std. Error of the Estimate		Sig.
0.198	0.039	-0.068	0.096		0.830

Table 8. Defining correlations (Pierson's ratio) of the competences between operations with top managers and line managers

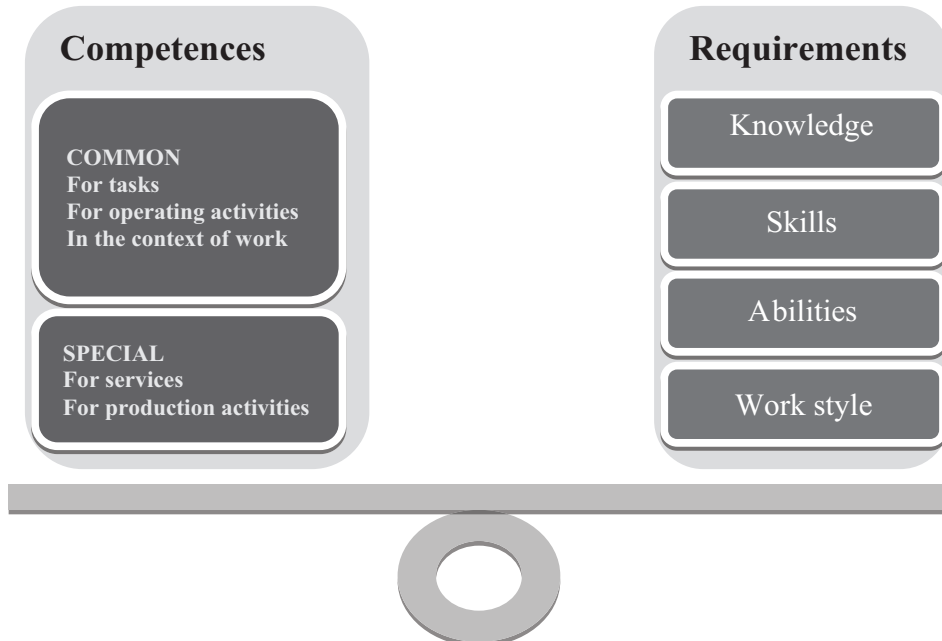
Correlations		Operations managers			Top managers			Line managers		
		VAR01	VAR02	VAR03	VAR01	VAR02	VAR03	VAR01	VAR02	VAR03
Operations managers competences	VAR01	Pearson Correlation Sig. (2-tailed) N	1 0.833 104	-0.157 0.112 104	0.273 0.088 40	-0.010 0.953 40	-0.433 0.005 40	0.013 0.908 80	0.066 0.559 80	-0.239 0.033 80
	VAR02	Pearson Correlation Sig. (2-tailed) N	1 0.833 104	-0.117 0.238 104	-0.224 0.165 40	-0.094 0.562 40	-0.140 0.390 40	0.226 0.044 80	0.203 0.071 80	-0.147 0.192 80
	VAR03	Pearson Correlation Sig. (2-tailed) N	1 0.833 104	1 0.329 40	0.158 0.336 40	0.273 0.034 40	0.273 0.089 40	-0.008 0.947 80	0.080 0.483 80	0.414 0.000 80
Top managers competences	VAR01	Pearson Correlation Sig. (2-tailed) N	1 0.833 104	1 0.329 40	1 0.591 40	0.081 0.000 40	0.619 0.580 40	0.090 0.580 40	0.368 0.019 40	0.405 0.010 40
	VAR02	Pearson Correlation Sig. (2-tailed) N	1 0.833 104	1 0.329 40	1 0.591 40	1 0.342 40	0.079 0.031 40	0.303 0.630 40	0.439 0.005 40	0.439 0.005 40
	VAR03	Pearson Correlation Sig. (2-tailed) N	1 0.833 104	1 0.329 40	1 0.591 40	1 0.342 40	1 -0.098 40	0.015 0.548 40	0.286 0.928 40	0.286 0.074 40

Line managerscompetences	VAR01	Pearson						1	0.122	0.003
		Correlation							0.280	0.976
		Sig. (2-tailed)							80	80
	VAR02	Pearson							1	0.208
		Correlation								0.064
		Sig. (2-tailed)								80
	VAR03	Pearson								1
		Correlation								
		Sig. (2-tailed)								
		N								

Model of competence of operations managers in Macedonia

This research defines a model of competence (common and special competences) operations managers in the country which is a basis for the establishment of national standards for operations managers.

Figure 1. Model of operations managers



CONCLUDING RECOMMENDATIONS

This research offers some basic practical recommendations:

- the top management to indicate the importance of operations management and the implications on the performance of organizations;
- to build professionalism in the organization of operational-level management;
- to invest in operations managers because that which will result in high return on invested capital;

This research defines the model of competence (common and special competences) operations managers in the country which is a basis for the establishment of national standards for operations managers in Macedonia;

This study provides impetus for new research that would set the models competencies for top managers and line managers in the country.

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