

OPPORTUNITIES FOR IMPROVING THE PROFESSIONAL COMPETENCES OF MANAGERS AND EXPERTS IN HUMAN RESOURCES MANAGEMENT IN THE BUSINESS ORGANIZATIONS AT THE SERVICES SECTOR

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Abstract: The building of a set of professional competencies for managers and human resources management experts requires a focused work to improve certain knowledge, skills and abilities. Their development has a direct or indirect impact on the results of the production and economic activity of the business organizations in the sphere of services. This necessitates study of the levels of development of the professional competences of the managers and the experts in the human resources management, by revealing the opportunities for their progress and refinement.

In this regard, the research on the level of professional competencies of the managers and human resource management experts in the companies in the sector of services can help clarify the strength of the relationship between the development and improvement of the competencies and the final economic result.

The purpose of this article is to analyze the status and development of the professional competencies of the managers and experts in the human resources management in the services sector, through assessing their role in increasing the economic efficiency in the business organizations.

The article is structured into two main sections. The first includes an analysis of the professional competencies by examining their interrelations and links with the production and economic results. The second section presents a model of the professional competencies which are particularly important for achieving high economic performance in the companies in the services sector.

The data show that a number of similar results have been observed in the research of the correlations and the relations of the professional competencies of the managers and the experts in the human resources management with the production and economic results in the studied economic organizations. Professional skills, Readiness and Willingness to Learn, Ability to work in a team, Communication Skills, Efficiency and Motivation are the competencies which are of particular importance for the realization of profit for both managers and experts in the human resources management in the business organizations from the sector of services.

A certain difference in impact is observed with respect to Critical attitude, Creativity, Multilingual abilities and Self-Management Skills. They are evaluated to be particularly relevant to the managers of the surveyed business organizations, while their impact is weaker in the case of experts.

With respect to the experts, the relationship between Computer Skills, Technical Skills and Loyalty with the profit is statistically proven, whereas with respect to the managers, these professional competences do not occupy foreground position.

The actual analysis reveals the correlation and the impact of the presented professional competencies on the economic status of the business organizations in the sector of services. On the basis of this analysis, a combination of competencies can be proposed which have the strongest influence on the economic performance of the companies.

The modeling of the professional competencies, which have a positive influence on the economic condition, supports the establishment of a comprehensive system for selection, training and professional growth of managers and employees of the economic organizations from the sector of services.

Keywords: professional competencies, human resource management, efficiency, business organizations, services sector

INTRODUCTION

During recent years, the development of the professional competencies in the business organizations at the sector of services is ever more closely related with the processes of representation, evaluation and career development of the human resources. Their formation requires targeted actions towards sophistication of certain knowledge, skills and abilities. Analysis of the condition and trends in the development of the vocational competencies of the human resources reveals a list of opportunities for their effective use and management.

With the rapid penetration of new techniques and technologies which, on its turn, triggers a steady raise in the requirements to the workforce from the services field, the managers /and especially team managers/ need professional advice on labor communication and interaction. At the same time, a number of key human resources management activities remain underdeveloped due to the lack of a structural unit to perform them. This requires targeted work on the establishment and restructuring of human resources management units in medium and large-

scale business organizations. Their main activity should be related to assisting managers from other structural units and developing the core human resource management activities. In small-scale business organizations in the services sector, team managers are entitled to make decisions about human resource management activities. This raises the requirements for their preparation, qualification and motivation to perform additional activities.

The building of a set of professional competencies for managers and human resources management experts requires a focused work to improve certain knowledge, skills and abilities. Their development has a direct or indirect impact on the results of the production and economic activity of the business organizations in the sphere of services. This necessitates study of the levels of development of the professional competences of the managers and the experts in the human resources management, by revealing the opportunities for their progress and refinement.

In this regard, the research on of the level of professional competencies of the managers and human resource management experts in the companies in the sector of services can help clarify the strength of the relationship between the development and improvement of the competencies and the final economic result.

The purpose of this article is to analyze the status and development of the professional competencies of the managers and experts in the human resources management in the services sector, through assessing their role in increasing the economic efficiency in the business organizations.

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MATERIAL AND METHOD

In order to assess the status of the professional competencies of the managers and human resource management experts, working in the services sector, which influence and interact with the production and economic results, we researched and analyzed the views of owners and managers in 86 different in size, status and legal structure business organizations. The majority of them are located in Plovdiv, Haskovo and Pazardzhik regions.

The selection of the companies is based on the formation of human resources management units and the achieved positive economic performance, or the profit made for the past three years prior to the survey. The impact and interaction of the professional competencies which affect the volume of profit in the companies is explored using Pearson's correlation analysis.

The participants in the study has previously received a list of 20 major groups of professional competence as well as their concise definition and description. /Table 1./. They were asked to rank them in a five-point scale, namely: 1 - not important, 2 - somewhat important, 3 - important 4 - very important, 5 - extremely important.

Table 1. Description of the main groups of professional competence

№	Competence	Description
1	Adaptability	Ability to adapt to the corporate culture, flexibility, quick orientation to the demands of the changing environment, including the ability to work under pressure and tight deadlines
2	Readiness and willingness to learn	Receptivity, curiosity, desire for self-improvement, seeking and receiving feedback
3	Loyalty	Ethical attitude, honesty, integrity
4	Efficiency	Ability to cope with work tasks with good results
5	Computer skills	Using word processors, spreadsheets, Internet applications
6	Leadership skills	Skills in planning, managing and motivating people, skills in decision-making, negotiation, etc..
7	Mathematical skills	Working with numbers, accuracy, methodical skills, precision
8	Ability to work in a team	Cooperation, conflict resolution, good interpersonal relations, sociability, ability to build relationships
9	Motivation	Positive work attitude, enthusiasm
10	Professional skills	Specific skills and knowledge of the professional field, an adequate idea of the work
11	Communication skills	Clear, convincing and literate expression in oral and written form
12	Critical attitude	Analytical skills, logic, impartiality, accuracy
13	Office skills	Finding and organizing information, documents, data; work habits and use of

		office equipment
14	Entrepreneurial skills	Initiative, entrepreneurship, business knowledge and insight, determination, ability to make decisions and take risks
15	Self-presentation skills	Skills for successful performance (including in a job application and interview), confidence in one's own skills, positivity, conviction, knowledge of business communication
16	Creativity	Creativity, initiative, ingenuity, lateral thinking
17	Technical skills	Specific skills to use specialized soft ware programs and equipment
18	Client attention skills	Responsiveness, empathy, positive attitude, tact, tolerance, patience, attentiveness
19	Self-management skills	Responsibility, independence, organization of time and work tasks
20	Multilingual abilities	Use (written and spoken) of a foreign language, intercultural experience and knowledge

The actual list has been prepared for the purposes of the study, in which the following were taken into account:

- **Key competencies** formulated by the European Commission¹²⁶;
- **Preliminary analysis** of similar studies in Europe and around the world in recent years¹²⁷;
- Overview of the most frequently mentioned skills and qualities that are required from applicants in **job advertisements**.
- **Consultations with employers**, educational experts and counselors who helped summarizing the skills in 20 groups.

The second section presents a model of the professional competencies of the managers and experts in human resources management. It examines those of them which are particularly important for achieving high economic performance in the holdings in the services sector. For the construction of this model, the technique of Path-coefficient analysis is applied. This method combines the abilities of the correlation, regression and structural analysis. This makes it one of the most appropriate methods for studying relationships since the Path Analysis examines not only the direct but also indirect links between the status of the professional competencies of managers and human resource management experts and the economic performance of the business organizations in the sphere of services. In this way, those with the highest impact are evaluated, while the weak ones are eliminated.

The survey covers the period between January and July 2017. Data and information are collected through direct contacts and transferred to specially developed for the purposes of the analysis questionnaires. The interview method is used to specify the information. The statistical suite SPSS 13.0 and Microsoft Office /Word, Excel, PowerPoint/are used at data processing and analysis.

RESULTS AND DISCUSSION

Research on the professional competencies of managers and experts in human resources management, influencing and interacting with the economic performance in the business organizations at the sector of services

The analysis of the data shows that in the researched economic organizations the *Professional skills* /R = 0,836 at $\alpha = 0,01$ / has the greatest impact on the final economic results /Table 2/.Its impact onthe human resources managers is especially strong. They have a very high correlation coefficient of 0.861, statistically proven at $\alpha = 0.01$. The importance of Vocational Trainingis also proven with the experts /R = 0.796 at $\alpha = 0.01$ /.

Of particular importance to the positive economic results is also *Readiness and willingness to learn*. The data show that it is of substantial significance for the human resources management experts - R = 0,814 at $\alpha = 0,01$.

¹²⁶The Definition AndSelection Of KeyCompetencies<http://www.oecd.org/dataoecd/47/61/35070367.pdf>

¹²⁷Employers' perception of graduate employability, Flash Eurobarometer, 2010 (http://ec.europa.eu/public_opinion/flash/fl_304_en.pdf); Ready to grow:business priorities for education and skills. Education and skills survey, 2010 (<http://www.cbi.org.uk/ndbs/content.nsf/802737AED3E3420580256706005390AE/C4393B860D00478E802576C6003B0679>)

Graduate Employability:What do employers think and want?2008 (http://ec.europa.eu/education/higher-education/doc/business/graduate_en.pdf);

Close results are also observed with the managers in the surveyed business organizations in the services sector /R = 0.703 in $\alpha = 0.01$ /.

A strong impact on the final economic results is also shown by the following professional competencies: *Communicative Skills* /R = 0.718/; *Ability to work in a team* /R = 0.706/; *Creativity* /R = 0.701/; *Self-Management Skills*/R = 0.669/; *Efficiency* /R = 0.615/; *Motivation* /R = 0,577/ and *Technical Skills*/R = 0,598/. The high correlation coefficients, statistically proven at $\alpha = 0.01$, reveal their role in achieving higher production and economic performance in the business organizations at the services sector. A strong direct proportional relationship with the profit is also observed in *Adaptability* /R = 0.536 at $\alpha = 0.05$ /, *Critical attitude* /R = 0.527 at $\alpha = 0.05$ /, *Self-Presentation Skills* /R = 0.496 at $\alpha = 0.05$ /, and *Entrepreneurial Skills* /R = 0.475 at $\alpha = 0.05$ /

Table 2. Influence of the professional competencies of the managers and experts on human resources management on the economic status of the companies in the services sector

Professional competence	Correlation coefficients		
	Total	Managers	Experts
Adaptability	0,536*	0,496*	0,569*
Readiness and willingness to learn	0,801**	0,701**	0,814**
Loyalty	0,398	0,374	0,436*
Efficiency	0,615**	0,627**	0,585**
Computer skills	0,417	0,415	0,541*
Leadership skills	0,273	0,277	0,234
Mathematical skills	0,191	0,101	0,253
Ability to work in a team	0,706**	0,676**	0,738**
Motivation	0,577**	0,598**	0,596**
Professional skills	0,836**	0,861**	0,796**
Communication skills	0,718**	0,769**	0,614**
Critical attitude	0,527*	0,629**	0,416
Office skills	0,388	0,333	0,405
Entrepreneurial skills	0,475*	0,489*	0,457*
Self-presentation skills	0,496*	0,467*	0,421
Creativity	0,701**	0,763**	0,561*
Technical skills	0,598**	0,412	0,714**
Client attention skills	0,391	0,414	0,344
Self-management skills	0,669**	0,728**	0,557*
Multilingual abilities	0,389	0,471*	0,315
Respondents, %	100	41,9	58,1

Source: Own calculations

With the managers responsible for the management of the human resources in the surveyed businesses from the services sector, as particularly important for the improvement of the production and economic performance stand out *Communication Skills* /R = 0,769/, *Creativity* /R = 0,763/, *Self-Management Skills*/R = 0,728/, *Critical attitude* /R = 0,629/, *Efficiency* /R = 0,627/ and *Motivation* /R = 0,598/. Their interaction with the profit shows high correlations, statistically proven at $\alpha = 0,01$. Important roles in enhancing the economic performance in these businesses also have the *Entrepreneurial Skills*, *Adaptability*, *Multilingual abilities* and *Self-Presentation Skills*.

Close results are also demonstrated as for the experts from the human resources management units. A strong direct proportional relation is recognized between the professional competencies such as: *Ability to work in a team* /R = 0,738 at $\alpha = 0,01$ /, *Technical skills* /R = 0,714 at $\alpha = 0,01$ /, *Communication skills* /R = 0,614 at $\alpha = 01$ /, *Motivation* /R = 0.596 at $\alpha = 0.01$ / and *Efficiency* /R = 0.585 at $\alpha = 0.01$ / and the high production and economic performance in the business organizations from the services sector.

The data show that a number of similar results have been observed in the research of the correlations and the relations of the professional competencies of the managers and the experts in the human resources management with the production and economic results in the studied economic organizations. Professional skills, Readiness and Willingness to Learn, Ability to work in a team, Communication Skills, Efficiency and Motivation are the

competencies which are of particular importance for the realization of profit for both managers and experts in the human resources management in the business organizations from the sector of services.

A certain difference in impact is observed with respect to Critical attitude, Creativity, Multilingual abilities and Self-Management Skills. They are evaluated to be particularly relevant to the managers of the surveyed business organizations, while their impact is weaker in the case of experts.

With respect to the experts, the relationship between Computer Skills, Technical Skills and Loyalty with the profit is statistically proven, whereas with respect to the managers, these professional competences do not occupy foreground position.

There is no statistically proven correlation between the analysis of the other professional competencies and the realized profit for the survey period. Average and low levels of correlation coefficients are detected, as least significant for the achievement of positive economic results in the economic organizations from the services sector are *Mathematical Skills*.

The actual analysis reveals the correlation and the impact of the presented professional competencies on the economic status of the business organizations in the sector of services. On the basis of this analysis, a combination of competencies can be proposed which have the strongest influence on the economic performance of the companies.

Table 3. Direct and indirect effect of the professional competencies of the human resources managers influencing the economic situation of the business organizations in the services sector

Professional competence	Path-coefficients	
	Direct effect	Indirect effect
Professional skills	0,651	0,210
Readiness and willingness to learn	0,864	-0,163
Creativity	-0,440	1,203
Efficiency	0,454	0,173
Self-presentation skills	0,724	-0,257
Adaptability	0,403	0,093
Multilingual abilities	0,839	-0,368
Ability to work in a team	0,497	0,179
Communication skills	0,898	-0,129
Motivation	0,507	0,091
Critical attitude	-0,369	0,998
Self-management skills	0,466	0,262
Entrepreneurial skills	-0,227	0,716
Loyalty	0,705	-0,329

Source: Own calculations

Modeling of the professional competences of the managers and experts in human resources management, influencing directly or indirectly the high economic performance in the business organizations at the services sector

The Path analysis method is applied to study the impact of both direct and indirect links of the professional competencies on the economic status of the surveyed business organizations. This method evaluates only those competencies which have the greatest impact on the economic performance and the weaker ones are eliminated. The results obtained from the Path analysis are shown in Tables 3 and 4.

Table 4. Direct and indirect effects of the professional competencies of the experts in human resources management, affecting the economic situation of the businesses from the services sector

Professional competence	Path-coefficients	
	Direct effect	Indirect effect
Professional skills	0,538	0,258
Readiness and willingness to learn	0,690	0,124
Creativity	-0,367	0,928
Efficiency	0,826	-0,241
Adaptability	0,895	-0,326
Computer skills	0,463	0,078
Ability to work in a team	0,596	0,142
Communication skills	0,820	-0,206
Motivation	0,497	0,099
Technical skills	-0,179	0,893
Self-management skills	0,279	0,278
Entrepreneurial skills	-0,317	0,774
Loyalty	0,570	-0,134

Source: Own calculations

The data in Table 3 show that some of the professional competencies of the human resource managers have a positive direct and indirect impact on the economic performance of the business organizations in the services sector. These competences are assessed as highly positive. These include *Professional skills*, *Efficiency*, *Adaptability* and *Ability to work in a team*. The professional competencies *Self-Management Skills* and *Motivation* are also very positive.

Self-Presentation Skills, *Readiness and willingness to learn*, *Communication skills*, *Multilingual abilities* and *Loyalty* have a direct positive effect on the profitability of the surveyed business organizations in the services sector. However, the indirect impact of this group of professional competencies on the economic performance is negative.

The third group of professional competencies, which encompasses *Creativity*, *Critical attitude* and *Entrepreneurial Skills*, has a direct negative impact on the economic performance of the surveyed businesses. By all means, their indirect influence is highly positive. The indirect effect coefficient surpasses that of the direct one and the ultimate impact of these competencies is also positive.

Table 4 presents the direct and indirect effects which the professional competencies of the human resources management experts have on the production and economic outcome. Positive direct and indirect effects are observed in *Professional skills*, *Readiness and willingness to learn*, *Computer skills* and *Ability to work in a team*. *Self-Management Skills* and *Motivation* are also emerging as highly positive competencies.

The direct positive impact of the professional competencies, *Efficiency*, *Adaptability*, *Communication Skills* and *Loyalty* of the human resources management experts is to some extent diminished by the negative indirect effect of them.

The third group, including professional competencies with a direct negative and indirect positive effect, refers to *Technical skills*, *Creativity* and *Entrepreneurial Skills*. Although the direct impact of these competencies on the economic outcome is negative, the indirect positive impact is stronger, resulting in the ultimate positive effect.

The modeling of the professional competencies, which have a positive influence on the economic condition, supports the establishment of a comprehensive system for selection, training and professional growth of managers and employees of the economic organizations from the sector of services.

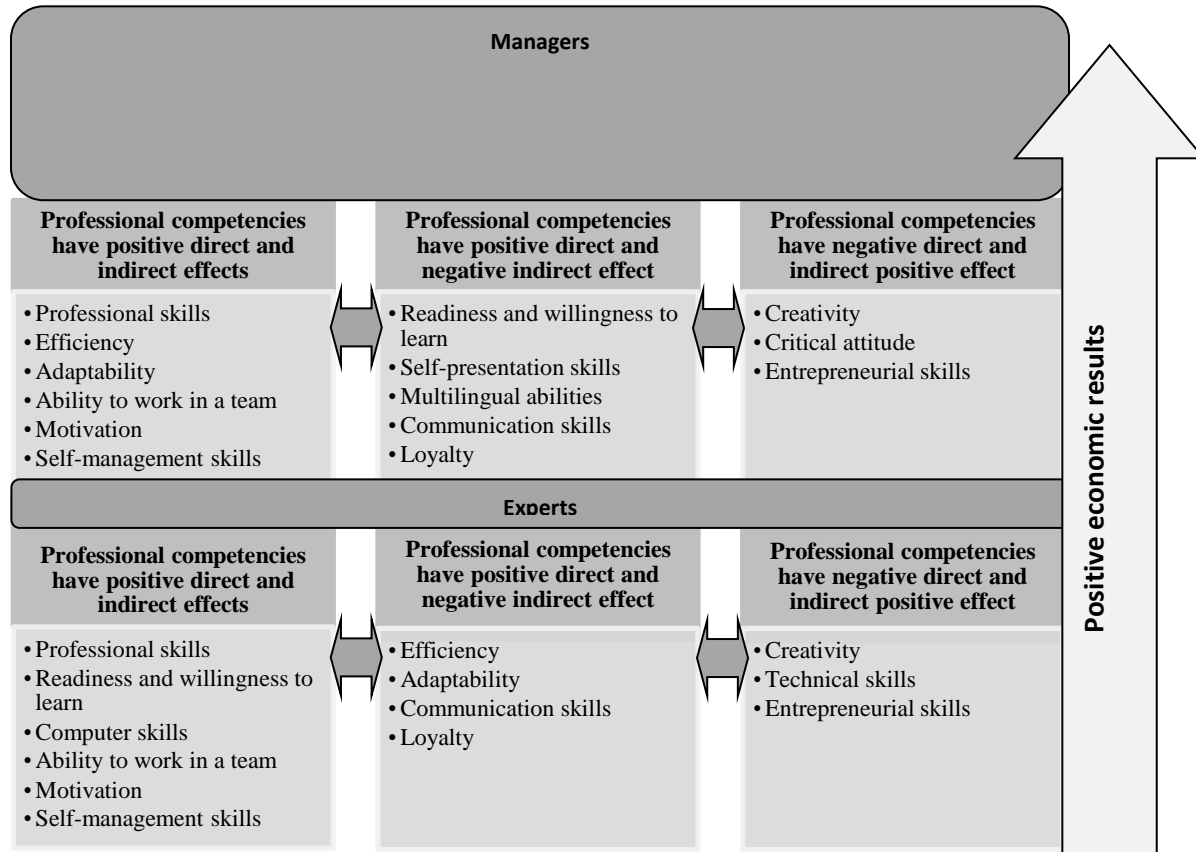


Fig. 1. Model of the professional competencies of the managers and experts in human resources management, which have a direct and indirect effect on the economic condition of the organizations in the sector of services

CONCLUSION

The process of building of a set of professional competencies requires a purposeful activity to improve certain knowledge, skills and abilities. They have a direct or indirect impact on the results of the production and economic activity of the business organizations in the sector of services. It is therefore of particular importance to examine the state of the professional competencies by revealing the possibilities for their effective use and management.

The presented analysis shows the interrelation and impact of the professional competencies on the economic situation of the business organizations in the services sector. On the basis of this analysis, a blend of competencies can be proposed which impact most the economic performance of the companies.

The modeling of professional competencies, which positively influence the economic situation, contributes to the establishment of a comprehensive system of selection, training and professional development of managers and employees at the economic organizations in the services sector.

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