

Economic processes management at microlevel

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**VISION FOR PROFESSIONAL STANDARDS AND REQUIRED
COMPETENCE OF THE COMMERCIAL MANAGER**

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The process of implementation of a Balanced ScoreCard (BSC) System for the development of an organization clarifies the strategic goals and defines the most important mechanisms for their achievement. Implementation starts with the training and attraction of executive personnel. Reaching a consensus on the development and implementation of such a system results in better understanding how the mission, vision, and strategy of the organization may be implemented into a system of efficient objectives and indices. The development and implementation of a BSC enables the organization to outline its future and plan the steps to achieve it.

Keywords: *financial perspective, customer relations, internal business processes, training and development.*

Introduction. Management efficiency is enhanced in terms of implementation of projects for better customer relations, improvement of company's competitiveness, market expansion, and improvement of the employees' professional competence. Business management is a highly intellectual occupation due to the dynamics of the business environment; it is a creative job that requires processing and analysis of information and making specific business decisions. In this respect, managerial decisions define the future of the business and are invariably related to economic expediency. Modern businesses invest heavily in the training of their business managers. An effective approach to training involves the use of external trainers to develop skills and set relationships that would benefit the business and its customers. The financial resource invested in training returns not only in terms of better performance but also of improved loyalty and motivation, which in many cases are essential crucial not only for each manager's performance but also for their retention and further development of managerial competences that would ensure the success of the business in the dynamic and highly volatile business environment.

Formation of competences. The establishment of standards in any given professional field implies setting of certain requirements for products and processes as well as organizations that manufacture these products or control these processes in order to guarantee a certain level of quality. The aim of this article is to propose a procedure for certifying the competences of business managers. Professional competence standardization implies setting of specific requirements for the necessary knowledge, skills and competences required for the specialists in any professional field who strive for career development in their organizations.

In the existing scientific publications and in practice there are no established standards for the professional competences of business managers. However, there are opportunities for adapting professional standards from other fields to establish the requirements for certification of business managers' professional competence. My model is based on the standards for human resource management and development developed by the Bulgarian Association for Management and Human Resource Development (BAMHRD, Ciela, 2003).

Professional development in any field is assisted by training programs based on established professional standards. The completion of each training module results in acquisition of the corresponding professional qualification. Thus training provides the required professional qualification, develops competencies that contribute to achieving the set objectives and career development. The purpose of the professional standards and the related professional development scheme is to create professionals who possess the following competences (BAMHRD, Ciela, 2003):

1. Personal involvement and efficiency – Business managers should be able to think positively (“*I can do it*” type of thinking), endeavor to find solutions to overcome the existing obstacles, and willingness to use all available resources to achieve the set objectives.

2. Leadership in HR management – Business managers should be able to inspire and motivate their subordinates for the achievement of their common goals not only by executing their formal powers, but also by adopting an approach and behavior of partnership and mutual trust.

3. Understanding of business – Business managers should have an overall corporate (rather than only functional) perception, be aware of the financial and accounting side of the business processes and operations, customer priorities, cost/benefit ratios of continuous improvements or transformational changes.

4. Professional and ethical behavior – Business managers should have high morale, professional skills and technical expertise and knowledge in certain areas (e.g. legal, financial, etc.), business negotiation skills and team– building skills as well as be able to delegate rights and responsibilities, participate in collaborative decision– making and reach consensuses. “Therefore, those who manage business enterprises and care for the interests of their company must adhere to the established ethical norms and values simply because they have committed themselves to satisfying the needs and demands of all customer, employee and shareholder associations and/or physical persons. This is a prerequisite for business success” (Filipova, M., 2015).

5. Achievement of results that contribute to the success of the organization – Business

managers should be able to focus on the concrete tasks at hand and take responsibility for achieving the goals observing the related legal regulations and ethical norms.

6. Continual learning – Business managers should constantly improve their qualification by self– studying and using external sources (mentoring, supervision, consultancy, etc.)

7. Analytical and intuitive/creative thinking – Business managers should be able to apply the systemic approach and situational analysis, develop action plans and think creatively to generate innovative solutions and take advantage of all opportunities.

8. Customer focus – Business managers should be aware of employees’ attitude towards the processes and activities related to the development of their organizations; they should be able to corroborate their opinion and respond to customer feedbacks in order to resolve misunderstandings and improve the performance of their organization.

9. Strategic thinking – Business managers should be able to come up with a feasible vision, forecast the development of the organization in the long run and select the best course of action as well as to disregard the insubstantial details and raise to challenges.

10. Communication, persuasive and interpersonal skills – Business managers should be able to communicate convincingly and persuasively, especially in writing, to be emphatic listeners and understand the emotional, behavioral and social aspects of the life of their organization.

Professional competence standards. Business manager’s professional competence standards should provide for the level of knowledge and competences they should have in order to have a professional approach to their work, to build teams, to take responsibility for their subordinates’ and their own training and professional development. They should add value to their organization and be considered a reliable business partner.

Business manager’s professional competence standards should define what abilities, knowledge and expertise business managers should have in their professional fields. They could be used in several ways:

- as a basis for professional qualification programs;
- as a basis for professional assessment;
- as a set of programs for qualification and certification in various fields, such as training and development, sales consultancy and management, career development and staff selection, etc.

- these standards should reflect the requirements for the business managers in terms of the following indicators:

- functional and technical skills indicators, which define what a business manager should be able to do;

- knowledge indicators, which define the professional knowledge a business manager should have in his/her field.

In order to be certified, business managers must have functional abilities related to the field of specialization of their enterprise, be oriented to the specific goals and be loyal to their organization. They are expected to demonstrate analytical thinking, continuous improvement and professional development. One of the factors for continual development and professional growth is related to career planning – the type of business, career

development, social, professional and personal success.

For many years career development was considered a matter of personal choice for professional and social development. The term "career" had a negative connotation, and the terms "careerism" and "careerist" were derogative and frowned upon by the common people. Professional development was seen as a line of duty; people referred to their professional development in terms of "I was appointed, selected, elected, chosen, etc.", thus understating their personal efforts. This applies in full to the professional development of business managers as well. In order to develop their professional careers successfully they need personal priorities to define the path of its development. These priorities (goals) were identified by Edgar Schein as eight "career anchors" (Sergeev, A. M, 2005):

1. Technical/functional competence. This kind of people like being good at something and will work to become experts in it. They have a timid attitude to jobs in which they cannot apply their professionalism and skills. These qualities enable them to be excellent leaders of professional teams, but they do not aspire to management as such. Adding value through their "good practices" they possess in– depth knowledge in their field.

2. Managerial competence. These people want to be managers. They like problem– solving and dealing with other people. They thrive on responsibility to manage as many people as possible.

3. Autonomy/independence. These people have a primary need to work under their own rules and without restrictions in order to maintain their independence. They prefer flexible working hours and avoid jobs with strict rules and regulations.

4. Security/stability. These people seek stability and continuity as a primary factor of their lives. They are not keen on changing their jobs and generally prefer long– term jobs with career development opportunities, social security benefits and guaranteed pension.

5. Service/dedication. Service– orientated people are driven by how they can "help other people", "serve the public", "take care of children and animals", etc. They may work in public services (education, healthcare) or in areas such as charitable organizations. They may quit their job if they realize that the activities of the organization do not correspond to their values.

6. Challenge. These people are driven by competition and tackling difficult problems. They are always in a "win – lose" situations regardless of their field of work.

7. Lifestyle. These people are focused on harmonious pattern of living and would not pursue a career that would impair their family lives and hobbies. They value their life as a whole, rather than the specific organization or occupation.

8. Entrepreneurial creativity. These people like to invent things, be creative and most of all to run their own businesses. They are risk– takers and can cope with difficulties and losses.

In recent year the connotation of the term "career" has improved markedly. Now it is perceived as a way of personal and professional development. This is why the organizations seeking to improve their performance now consider career planning and development as an important factor for the development of their employees. Although career planning requires time, organizational and financial resources, it provides the organization with certain benefits:

- motivated and loyal employees, lower rates of personnel turnover;
- professional development planning that takes into account individual’s interests;
- career development plans are important factor for determining the needs for professional training;
- qualified, motivated and career– development oriented employees to be assigned to key functions.

Competitive pressure, IT innovations, higher customer expectations and a number of other factors require the continual improvement of business manager’s professional skills and competences. A business manager is a person who manages a team of professionals and whose task is to define the overall approach of the organization to the market and customer needs. According to P. Drucker “management deals with people, their values, their growth and development” (Drucker, P. 1992)

Competence acquisition methods. Contemporary business enterprises invest heavily in the training of their managers. An effective approach to training involves the use of external trainers to develop skills and set relationships that would benefit the business and its customers. The financial resource invested in training returns not only in terms of better performance but also of improved loyalty and motivation, which in many cases are essential crucial not only for each manager’s performance but also for their retention and further development of managerial competences that would ensure the success of the business in the dynamic and highly volatile business environment. Therefore, competence assessment will not only provide an objective evaluation of managers’ professional qualities, but also stimulate their professional development and self– assessment and help them become aware of and develop the skills that maximize their performance. The standardization scheme allows for a wider or narrower specialization.

Professional standards assessment will provide the employers with more objective selection criteria and will guarantee the qualities of their sales managers for faster and more sufficient implementation of innovative sales concepts, methods and tools. Thus the employees in the sales departments will be assured that they are managed by qualified specialists and will be aware of their actual contribution to the success of their organization.

Sales managers’ competence models define the functional areas that are necessary and important for their position and correspond to their professional commitment. One of the approaches to be followed in developing the model is to related it to the requirements for the position according to its job description – knowledge, abilities, skills, motivation, responsibilities and obligations. However, we believe that professional competence is a broader concept that goes beyond the requirements of the job description and therefore should be related to company’s objectives (strategies, innovations, career planning).

Results. The professional competence scheme is based on standards based on certain competences that are grouped into six functional areas and four qualification levels. The standards should provide for the sales manager’s competence requirements in the following functional areas (fields):

- A. Professional commitment and personal efficiency;
- B. Managements of personal resources and abilities;
- C. Team management and networking;

- D. Business environment management;
- E. Information management;
- F. Customer service.

Here are some common skills that constitute the core of the professional development of a manager:

- goal– setting; Evaluation; Planning; Training; Communication;
- concession; Self– evaluation; Time management;
- stress management; Influence and persuasion; Pro–activeness.

The level of professional competence is certified with certificates, licenses and diplomas issued by authorized certification bodies upon completion of a training module (level). Sales manager are categorized according to the following certification training levels:

- Level One – when the corresponding requirements of the standard are met, the manager is awarded a “specialist certificate”;
- Level Two – managers who meet the corresponding requirements of the standard receive a “certificate of professional business manager”;
- Level Three – when the corresponding requirements of the standard are met, the manager is licensed as a “licensed sales manager”;
- Level Four – meeting the standard requirements enables the manager to receive a “professional diploma in business management”.

During the training modules the managers are taught to apply the theoretical models to the specifics of their respective organizations and to find effective solutions for their improvement. The training module provides the managers with tools and techniques for improving the performance of teams, departments and whole enterprises as well as strategic analysis skills and modern managerial techniques combining management, marketing and financial management elements. It also provides opportunities for professional specialization.

The four levels of competence certification confer the right to a membership in the Professional Managers Association, which aims to promote the professional business managers. Its members must prove that they are competent, i.e. they work according to the level of their certification. This will raise the status of this occupation, will expand the opportunities for career development and will result in a wider recognition. Membership will guarantee that the employer has hired a knowledgeable, qualified and skilled professional, who is willing to apply his/her expertise in practice, who is familiar with the business processes and is a good team– worker.

Membership procedure is shown in the table 1.

Table 1. Business manager’s professional qualification and membership in the Professional Managers Association (PMA)

Membership	Level 1	Level 2	Level 3	Level 4	Experience requirements	Qualification
Distinguished PMA member	+	+	+	+	5 years	Professional diploma for business manager
Graduate PMA member	+	+	+	+	3 years	Professional diploma for business manager
Licensed PMA member	+	+	+			Business manager’s license
Certified PMA member	+	+				Professional business manager’s certificate
Associate PMA member	+					Specialist’s certificate
PMA member	–	–	–	–	–	Membership card

The benefit of this membership is also reflected in the fact that it guarantees to the general the public, peers, business partners and customers the professional level of the business managers and their adherence to the professional ethical standards of conduct and ensures better professional recognition within the organization and among peers.

The Graduate PAM Member level shall require at least 3 years of professional experience in the field and a certain degree of career advancement. A Distinguished PMA Member shall have at least 5 years of professional experience and shall meet the requirements of all 4 preliminary levels. The level of Honorable PMA Member shall be awarded by the Board of the Association individually, for exceptional merits and contribution in the professional field.

Conclusion. Standardization of business manager’s professional competence supports their professional development and growth through training programmes based on professional standards adopted by the respective industry’s professional body or association. Membership in such organizations should not be considered only in terms of the obligation of membership fee payments but as a willingness for professional development and maximization of manager’s contribution to the achievement of the goals of their companies and extensive knowledge in their professional field.

The standards should provide for professional manager’s key knowledge and skills required for achieving the right balance of knowledge, skills, capabilities and competences, which is specific for each functional area. Certification is intended only for those who are willing to accept the challenge and adhere to the code of professional conduct. The specifics of the certification procedure shall be discussed in a separate article.

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