Applying Fuzzy Theory to the Management Competency Assessment for Middle Managers

YU-CHEN CHIANG 1  TIEN-CHIN WANG 2

1Center of General Education, I-Shou University
1, Section 1, Hsueh-Chen Road, Ta-Hsu Hsien, Kaohsiung 840
TAIWAN

2Department of Information Management, I-Shou University
1, Section 1, Hsueh-Cheng Road, Ta-Hsu Hsien, Kaohsiung 840
TAIWAN
http://www.king.idv.tw

Abstract: Middle managers act as a role of changing agent, focus on strategy implementation, and bridge the senior management level and the front lines. The purposes of this study are to assess the management competencies for middle managers; and to evaluate, from the point of view of supervisors, the candidates for middle managers by Fuzzy Analytic Hierarchy Process (FAHP). This study found that after data collected from field expert questionnaire survey and analyzed by FAHP the result provides ranking for the management competency assessment for middle managers.

Key-Words: - Management Competency, Fuzzy Theory, Fuzzy Analytic Hierarchy Process

1. Introduction

To be a successful corporation, the precondition is to have outstanding talents. Especially in technology-intensive and capital-intensive industries, managers bear increasingly large responsibilities. Katz [1] indicated that an outstanding manager should possess the following three management skills, the percentages of which are adjustable according to positions and responsibilities in the management level. The three skills are Technical Skill, Human Skill and Conceptual Skill. Middle managers usually play the roles in between the top management and the subordinates.

Carolyn R. Farquhar, Principal Associate Research of Centre for Management Effectiveness of the Conference Board of Canada, expressed that in a company the most critical management processes, initiatives, pursuing new strategic directions, and implementing changes are mostly contributed from middle managers. Thus, middle managers act as a role of changing agent, focus on strategy implementation, and bridge the upper management level and the front lines. For the unique position of the middle managers in an organization, therefore, it is critical and necessary to an organization to evaluate the management competency for managers.

Since human thinking usually involve many psychological factors, for examples, preference, emotion, presentiment and obscurity etc., thus uncertainty—vagueness of description, incompleteness of information and vagueness of the object itself [2] -- occurs. In the process of evaluating of management competency, if qualitative criteria are involved, the assessment indexes will result in subjectivity. In addition, difference in personal cognition and value-concept would further adverse the fairness of performance assessment.

Fuzzy theory is a theory about vagueness and uncertainty, and enables us to use non-precise, ill-defined concepts and yet to work with these in a mathematically strict sense [3, 4]. The theory provides a proper expression for the vagueness and works well for many applications [5].

2. Literature Review

2.1 Meaning of Competency
Competency was first brought up by Harvard University professor D. McClelland [6]. In the early time, “competency” was studied as “personal trait”. After thorough study, researchers started questioning the correlation between personal trait and work performance, which led to diversified study. Parry [7] distinguished the definition among traits, competency, skills and value. He views traits and characteristics refer to description of personality, including cooperation, aggressiveness, and decisiveness et al., which have already been defined since the early time of human life and do not have training effect. But skills and ability are formed both naturally and afterward. Skills are generated during solving special issues. As for value and style, researchers believe they are formed in the early age and develop into a role model because of environment and social authority. Both value and style can affect the management behavior for a manager. Competency and skills are frequently misused for the similar subject. Parry argues that skills tend to be situated and specific, while competency tends to be generalized and extensive. Parry notes that competency is: 1) a cluster of related knowledge, attitudes and skills that affects the major part of one’s job; 2) that correlates with performance on the job and can be measured against well-accepted standards; and 3) that can be improved via training and development.

Boyatzis [8] states that competency is an underlying characteristic of an individual, which is causally related to effective or superior performance in a job. Chisholm [9] thought professional core competency contains three elements: knowledge, skills, and attitudes. The three elements interact concurrently in a practical scenario.

2.2 Management Competency
For the definition of management capability, although researchers have different views there are three types of study: trait approach, functional approach and situation approach.

2.2.1 Trait Approach
Personal trait refers to any persistent psychological characteristic, whether it is explicit behavior or inner personality, as long as it is unique. These researchers believe a successful manager has unique personal traits. The approach is to find what personal traits would affect management performance. This approach was popular between 1940 and 1950.

Stogdill [10] found a leader should possess seven traits: figure, look, confidence, social ability, will, management ability and active spirits (including style of conversation, expression ability, creativity). Davis [11] summarized many traits as four items: wisdom, social maturity and extensiveness, inner motive and accomplishment, social relationship attitude.

2.2.2 Functional Approach
Researchers taking functional approach focus on “the required abilities for a manager to accomplish the work in the highest performance level”. The most well-known theory was proposed by Katz in 1955 for the three required skills for a manager: professional skills, interpersonal skills and concept skills. Moravec and Trucker [12] note that management skill matrix should replace traditional job description. The management skill matrix is composed of the following seven skills: 1) Technical Expertise, 2) Business Awareness, 3) Communication & Interpersonal, 4) Decision making & Initiative, 5) Leadership & Guidance, 6) Planning & Organizational Ability, 7) Problem Solving.

Moulton [13] argues that a manager should have the following five management capabilities: 1) environment awareness: understanding of global view and different cultures, 2) leadership: active attitude, value concept and ethics, 3) general management: integration ability, technical ability and flexibility, 4) interpersonal relationship: negotiation and communication abilities, 5) ability to accomplish assignment: strategic planning, policy development, functional orientation and micro-economic knowledge.

2.2.3 Situational Approach
Researchers taking situational approach believe there is not much difference in personality, traits or capability for successful managers, and the key to success lies in the situation a manager faces. They think personality, traits, and capabilities are not essential to management success, but more emphasize the importance to cope with the situation. Because situational approach considers the whole environment and involves too many factors, so it has difficulty in practical application and fails to control the actual situation facing a manager.

This study adopts the eight dimensions as criteria for management competency developed by Yian-Hui Wu [14] according to theory from Sandwith [15] and Reilz [16] on functional approach and trait approach. They are concept skill, interpersonal skill, leadership skill, administrative skill, professional skill, personal trait, ability and motive and will be used as criteria for assessment.
is very simple and effective for assessing management capability.

References: