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Mersiha Kačamaković

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The role of human resource competencies in private businesses in Kosovo

Dr. Sc. Mersiha Kacamakovic

Faculty of Management, Business and Economics, UBT – Higher Education Institution
Lagja Kalabria, 10000 p.n., Pristina, Kosovo
mersiha.kacamakovic@uni-ubt.net

Abstract. In today's economy issues around human resource development are fundamental. Each organization made every effort to recruit knowledgeable people into its ranks. To achieve this, organizations must increase the efficiency and, first of all, the efficiency of knowledge governance. But this knowledge people must acquire, develop and use. Competence in every field has become important in all aspects, because the labor market has become a market of competencies. Competence is a characteristic or feature of an individual, which ensures a high level of quality of work offered by him. Aptitude or competence is the ability to accomplish a task.

Effective performance and employee training are essential to the success of a company, to support employees in achieving the best possible results. Employee training in Kosovo enterprises is closely linked to improving organizational performance. As a strategic activity, training is considered one of the main instruments for continuous improvement of competence and as a human resource management strategy in business. From this perspective, the most important role that managers should play is to identify the shortcomings of their employees at the level of competencies, as well as to identify the real training needs, to achieve the necessary competence.

Keywords: competencies, performance, training, human resources, managers, employees, enterprises

1 Introduction

Competence is a characteristic or feature of an individual, which ensures a high level of quality of work being offered. In general, aptitude or competence is the ability to accomplish a task. Effective performance and employee trainings are essential to the success of a company, to support employees in achieving the best possible results. Employee trainings in Kosovo enterprises is closely linked to improving organizational performance.

There are many strategic activities that are used from businesses to further the employee's competencies regarding their job. Among the most important and used ones is training. This is considered one of the main instruments for continuous improvement of competence and as a human resource management strategy in business. From this perspective, the most important role that managers have to play is to identify the shortcomings of their employees at the level of competencies, as well as to identify the real training needs so that these needs can be addressed properly.

A better identification of job positions and employee's competencies allows the authorities in the organization to send a signal to the labor market and the higher education system at the level of knowledge, skills and competencies, for prospective employees who are likely to be recruited to fill job positions in the organization/company. Therefore, the required skills and competencies, as mentioned above, represent a product, a combination of knowledge and skills that are highly relevant to the issue of suitability, in terms of what is needed in the organization/company.

1.1 Research questions

In this paper, we try to answer the following questions:

1. To what extent is the management of human resource competencies applicable to private businesses in the region of Peja?
2. What are the main advantages of human resource competencies to the overall development of companies/organizations?
3. Have the private businesses in the region of Peja strategies that identify incompetence at work?

2 Literature review

Many authors of contemporary world literature nowadays try to elaborate competencies and the interest in them is growing every day. The concept of competence has become particularly important in the field of human resources in the last decade. According to (Ulrich, Brocbank, Yeung and Dale, 2006), competence is defined as a necessary information, skill, ability and characteristic of an individual to do a job successfully.

One of the key figures that has dealt with the definition and popularity of the concept of competence is (Boyatzis, 1982). He has done a lot of research about competence. According to Boyatzis, competence is the main characteristic of people, which is not only a factor that can affect performance, but a number of factors, such as: characteristics of individuals, motivation, behavior of the individual etc. The company that has defined its business vision and strategy based on what its current competencies are, in the future has managed to build a strong foundation for its human resources and their development. Intellectual capital, knowledge and competencies of employees, today cause the failure or success of a business in a dynamic business environment. Human resources play a key role in business, in order to create and maintain competition in the market.

According to (Mansfield, 1999) competence is closely related to performance, competence is a basic characteristic of a person, which results in performance at work. Improving business performance is considered according to well-known models in strategic human resource management, which brings better results along with other human resource policies (The Free Press, 1984). As a strategic activity, training is considered one of the main instruments for continuous improvement of competence and as a human resource management strategy in business.

Business organizations should continuously promote competence growth through a variety of employee training. At the same time, it is important to disseminate information and learning or competence to each unit and to all employees. The competitive position of the business is assessed precisely by the variety of methods of competence improvement and by the way the training is adapted to the required level of competence.

To assess the level of competence acquired, in addition to being used to assess trainees, questionnaires are also used if the training was appropriate to meet the shortcomings of employees in certain competencies. Also, for the assessment of the competence of the trainees, questionnaires are used for evaluation by the trainer for the result obtained by each trainee.

Competencies always include motivation, which is a feature of motivating efforts that lead to a result (Albpaper, 2005) Competent management is not only desirable but also possible. The competencies of managers in enterprises in Kosovo are still clearly undefined. But also, the centralized organizational structure of enterprises, lack of confidence in expertise, knowledge and capacity of managers, uncertainties in competence and differences in budget perception, are some of the specifics of Kosovar enterprises.

According to Belanger (2006), employee training is a company's effort to improve an employee's current and future performance by increasing his or her competencies. The whole interest of economically strong states is to invest in competitive advantages in the market. Competence is a critical source of competitive advantage. In successful western experiences, training business communities from universities, or organizing them in associations, in various organizations, participating in fairs or always appearing in the media through advertising and presentation, are good opportunities to always be informed, get and exchange ideas, which keep a business always on track, in progress and economic results.

3 Research Methodology

This study was a case study conducted according to a methodology, in which both methods, quantitative and qualitative, were combined. The research design in this paper is organized respecting the issues that are formulated in this seminar paper entitled, 'Human resource competencies in private businesses in Kosovo'. This approach is considered appropriate for the case of our study, to investigate the specifics of an issue such as the level of competence in five private companies in the region of Peja. It can be noted that case study is a very popular and widely used research method in business competency research. The Primary data for the research were collected using the survey method, which included structured questions, for the purpose of an in-depth study of the topic Human resource competencies in private businesses in Kosovo. Secondary data are provided from the existing literature, various studies, reports and works from eminent authors.

As mentioned, population of the research were the employees of the private sector in the region of Peja whereas the sample was chosen from five private companies from the same region. The total number of respondents was 60. They all had different positions within the company. The sample was chosen randomly.

4 Results

From the results presented in the following table, it can be seen that in the first question "Are competency metrics set correctly in your company"? 2% of the respondents answered with 1 (low), 12% with 2 (below average), 35% with 3 (average), 28% with 4 (good) and 23% chose the fifth option, excellent.

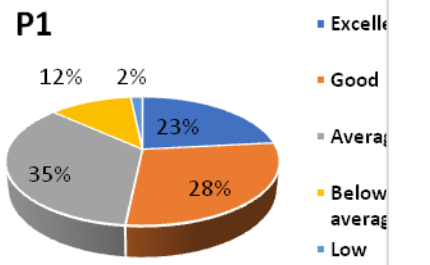
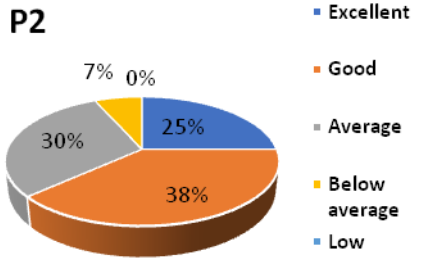
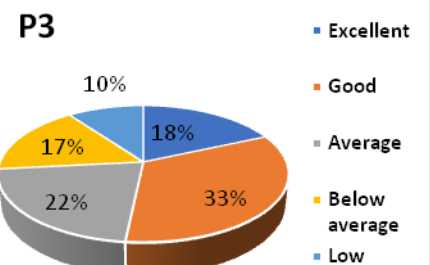
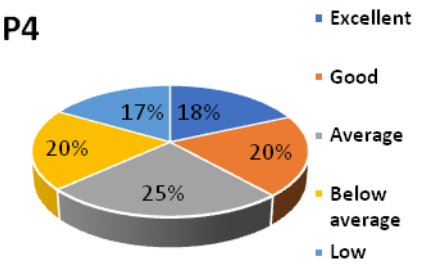
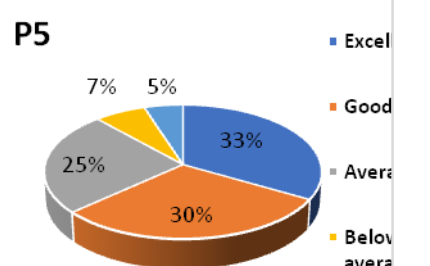
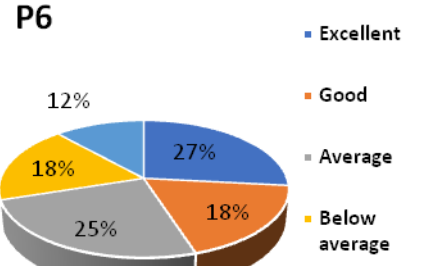
<p>Are competency metrics set correctly in your company?</p>	<p>Does your company have strategies for identifying incompetence at work?</p>
<p>P1</p>  <ul style="list-style-type: none"> ■ Excellent ■ Good ■ Average ■ Below average ■ Low 	<p>P2</p>  <ul style="list-style-type: none"> ■ Excellent ■ Good ■ Average ■ Below average ■ Low
<p>Has the company used appropriate training methods that would meet the needs of employees at the level of competence required for your job?</p>	<p>Does the company allocate an annual budget for training and improving employee competence?</p>
<p>P3</p>  <ul style="list-style-type: none"> ■ Excellent ■ Good ■ Average ■ Below average ■ Low 	<p>P4</p>  <ul style="list-style-type: none"> ■ Excellent ■ Good ■ Average ■ Below average ■ Low
<p>Are there a clear division of labor tasks between organizational units in the company?</p>	<p>Does the company offer career development training?</p>
<p>P5</p>  <ul style="list-style-type: none"> ■ Excellent ■ Good ■ Average ■ Below average ■ Low 	<p>P6</p>  <ul style="list-style-type: none"> ■ Excellent ■ Good ■ Average ■ Below average ■ Low

Table 1. Results from the questionnaire

When identifying incompetence at work, respondents provide a variety of answers. The percentage goes like this: 18% of them think that the strategy for identifying incompetence at work is at an excellent level; 20% of respondents think that the identification of incompetence is at a good level;

25% think it is a satisfactory or average level; 20% of the respondents think that the strategies for identifying incompetence at work are below average and none of the respondents think that these strategies are at a low level. From these answers it is clear that the company notices when there is a lack of competence in the work process.

As of question 3, employees in companies work in certain sectors. Training methods also vary greatly from sector to sector. Here 18% of them think that the training methods have been excellently suited, 33% think that they are well suited, while 22% are moderately satisfied with the appropriateness of the training methods and, finally, 17% are dissatisfied (below average), while 10% are not at all satisfied (low). The company needs to improve in this regard and find the most appropriate training methods to increase employee competence.

The answers to the fourth question are of the greatest variety during this questionnaire. Employees are generally dissatisfied with the company allocating budget for competency improvement training. For this point (question) the statistics are as follows: 17% are not at all satisfied in this regard (low); 20% are dissatisfied (below average), while 25% are moderately satisfied (average), 20% are well satisfied (good); while 18% are more than satisfied (excellent).

The operation of the company across different sectors makes it easier to divide work tasks between sectors. The answers to the fifth question are as follow: 33% of employees think that the division of labor tasks is at an excellent level; 30% of them think that the division of labor tasks between the sectors of the company is at a good level; 25% of respondents think that the separation is at a satisfactory level (average); and only 12% of employees are dissatisfied (7%) or not at all satisfied (5%) with the division of labor tasks between the company's work sectors.

In trainings (the last question) employees are divided into two. Maybe in the company there are certain positions in which the development trend should be followed and certain employees are enabled to follow them more. In this regard, 27% of employees indicate that they are very satisfied with the provision of training (excellent), 18% of them state that they are good with the provision of training (excellent), 25% of employees are average, and 30% are dissatisfied (18%) or not at all satisfied (12%). At this point the company should be careful and for training make a variety of employees and not in most cases send the same employees.

5 Discussions

The purpose of this paper was to analyze the importance of improving competence in company performance. From the theoretical knowledge, as well as from the research findings, it follows that the success of the company is significantly determined by the continuous promotion of improving the competence of employees. On the other hand, competency improvement is closely linked to a quality employee training system. It should be emphasized here that the importance should be given to the motivation of the employees, so that they give the best of them and, in this way, they achieve success for themselves, as well as for the owner/s of the company.

The impact of competence is conceived in two directions, in terms of training and in terms of management. Also, to achieve its goal, this paper presented a broad overview of theoretical views and empirical studies focused on this issue.

By fulfilling these two objectives, the company manages to meet both objectives: the company objective and the employee objective. We can say for sure that in Kosovo the application of the modern concept of employee motivation, as is done in Western countries, is still far away, but it is a very good model for the conditions in the Republic of Kosovo. The political and economic instability that exists in Kosovo is also reflected in the instability of building a more advanced system of motivation and performance of employees, which directly affects the increase of performance. This is also due to the still very low level of average salary in the Republic of Kosovo. We can conclude that performance-based benefits motivate and guarantee the success of the company. It cannot be otherwise true for the companies of the region of Peja.

To address the research questions, based on the answers from the questionnaire we can say that the management of human resource competencies in the region of Peja is mostly satisfactory, however there is more to be done in terms of employee's training programs and motivation strategies. As per second question, we saw from the literature review that there are multiple advantages of the human resource competencies for the company. These competencies provide a valuable asset to the overall development of the company. As for the third question, we saw that the private companies in the region of Peja do provide strategies to identify incompetence at work although not at a fully satisfactory level.

6 Recommendations

In the final part of the paper are some of the recommendations for the companies in the Region of Peja that were part of the research. The recommendations are based on a review of the literature and data obtained directly from the employees of the company in question, which we are listing below.

1. Based on the research findings, the company should allocate more training budget to its employees in building competencies in the workplace.
2. Training opportunities to be open and accessible to all the employees, not selectively;
3. Companies should develop more innovative and impactful training methods for employees in building competencies for their workplace.
4. Also, the companies of the Region of Peja being private businesses, should continue with further restructuring and modernization, with the sophistication of the business, the advancement of the way of reporting work to the management of the company.

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