Economics World, Nov.-Dec. 2016, Vol. 4, No. 6, 274-282

doi: 10.17265/2328-7144/2016.06.002



# Project Manager's Competencies in Czech Lottery Industry Enterprise\*

Kateřina Hrazdilová Bočková, Monika Dohnanská, Daniela Hilčíková Dubnický Technological Institut in Dubnica nad Váhom, Dubnica nad Váhom, Slovakia Radka Vaníčková

The Institute of Technological and Business in České Budějovice, České Budějovice, Czech Republic

The presented paper analyses competencies of project manager of the enterprises operating on Czech lottery market. The contribution of the paper consists of two parts. The first part focuses on the basic terminology issues and anchors concepts such as project manager and competencies. The second part is dedicated to the analyzing and evaluation of the competencies of ideal project manager of the enterprises operating on Czech lottery market and subsequent presentation and verification. For the analyzing and evaluation of the competencies of ideal project manager, the questionnaire of the scale type with the grade valuation 1-6 was applied within the frame of 20 enterprises operating on the lottery market in Czech Republic. The respondents were from the AG CZ, Ltd. and the competitors of this enterprise. Analyzed data were after the evaluation worked up into the form of graphs. The final output of this paper is the definition of the competencies of ideal project manager operating on Czech lottery market. The paper arose thanks to the project supportted by The Ministry of Education, Slovakia (Project KEGA No. 001DTI-4/2015, proposal of behavior strategies in the difficult social situations in the management of secondary school using the innovative predictive software tools) in cooperation of Dubnický Technological Institut in Dubnica nad Váhom with AG CZ, Ltd. and The Institute of Technological and Business in České Budějovice.

Keywords: Czech lottery market, lottery enterprise, competencies of project managers, Czech Republic, competency model of project managers, definition of project manager's competencies

#### Introduction

Czech Republic passed through the process of rescheduling, for the privatisation of state enterprises and for the modernisation and creation of new strategic, economical, and business units, it started to use the projects. The projects became an entire part of scheduling and management not only in the field of industry, but also in

<sup>\*</sup> Project Supported: Project KEGA No. 001DTI-4/2015, proposal of behavior strategies in the difficult social situations in the management of secondary school using the innovative predictive software tools, supported by The Ministry of Education, Slovakia.

Kateřina Hrazdilová Bočková, Ing., Ph.D., MBA, Dubnický Technological Institut in Dubnica nad Váhom, Dubnica nad Váhom, Slovakia.

Monika Dohnanská, Mgr., Dubnický Technological Institut in Dubnica nad Váhom, Dubnica nad Váhom, Slovakia.

Daniela Hilčíková, Ing., Dubnický Technological Institut in Dubnica nad Váhom, Dubnica nad Váhom, Slovakia.

Radka Vaníčková, Ing., Ph.D., The Institute of Technological and Business in České Budějovice, České Budějovice, Czech Republic.

Correspondence concerning this article should be addressed to Kateřina Hrazdilová Bočková, Dubnický Technological Institut in Dubnica nad Váhom, Sládkovičova 533/20, 018 40 Dubnica nad Váhom, Slovakia.

the sector of non-profit organisations as well. At present, the demand for the project management know-how and for the project manager profession is an increasing factor.

In the frame of the competitiveness preservation, the present lottery enterprises try to realize a style of management, which goal is to achieve an important change. This style of management uses various methods of the management theory; however, the Czech lottery enterprises do not find essential advantages in the implementation of project management. "The leader, who is charged with the implementation and management of such change, is in the theory and in a foreign praxis called project manager" (Gido & Clements, 2015, p. 19).

Project manager is mostly chosen by senior management of the company. His task is to be a leader, a planner, an organizer, a coordinator of teamwork, a controller, and a negotiator in one person (Kerzner, 2013).

The project manager leads (not performs) all work in the team, so one of his core competencies is to manage people who are in project realization, to oversee and monitor processes, to represent the project outward, to deliver necessary resources, to improve all communication and project team motivation, and so on. In addition, he can divide the work of the project personnel who are working on the problem as one team (Morris & Pinto, 2007).

"One of the particularly important ability of a project manager is to influence other team members" (Heptonstall, 1997). His capability to lead depends more on the art of motivation than jurisdiction regardless of the extent project team members are subordinate to him. As projects are very often not a routine matter, project managers are frequently forced to solve any project tasks creatively.

In the book *Successful Project Manager* (Newton, 2008, p. 25), the project manager is considered to be "a person who has responsibility for delivering all project components. It could be a full time job or just the role in the situation".

This job is suitable for someone who knows how to improvise, to make fast decisions, and can see the problem in a broader context. He can also solve most of the nonstandard or unplanned condition or influences which happened either unexpectedly or could be a result of risk factor effects and project changes. A comprehensive approach in performance of the project manager role assumes qualifications and skills of professional performance of project work, process management, relationship with people, art to motivate and encourage, and analytical and synthetic knowledge needed for evaluation. The evaluation is based on comparison current status of the project against the plan and draft conclusion with regard to potential effect of risk factors. This wide range of the project manager activities requires qualification, necessary experience, and a great deal of talent (Leach, 2005; Portny, 2007).

Functions, roles, characters, and competencies of project managers are specifically described by Doležal, Lacko, and Máchal (2009); Franklin and Tuttle (2008); Milošević (2003) or Hrazdilová Bočková, Škoda, Polčáková, and Rozvadský Gugová (2015).

# The Primary Aim of the Paper Is to Define the Competencies of Ideal Project Manager Operating on Czech Lottery Market

To achieve the primary aim it is necessary to reach following secondary aims:

- To compile the relevant theoretical outputs linked with the topic.
- To prepare the questionnaire survey to analyze the project manager's competencies.
- To evaluate the questionnaire survey within the frame of primary aim.
- To synthesize found information and results.

The identification of competencies and consequent formation of a competency model (is not a part of presented paper, is cited by Gabrhel and Hrazdilová Bočková, (2015)) are achieved by improvement and reformulation of personal strategy formulation of lottery market enterprises. One of the strategic objectives of these enterprises is to create functional competency model for job positions which are going to facilitate the personnel management especially the process of personnel selection, motivation, evaluation, and employee development and dealing with increased employee turnover. According to Hrazdilová Bočková (2009); Novotný and Hrazdilová Bočková (2010); and Rolínek, Holátová, Březinová, and Kantnerová (2014), the management of lottery market enterprises concluded that the process of personnel management does not work according to those needs of the enterprises that have been originally set towards. It is one of the major priorities for the next period to proceed to functional personnel management. The resort out of this situation is to create functional competency models.

The presented competencies should assist in the effectiveness of project manager's tasks throughout performance management processes carried out. Competences are going to be determined, together with their basic level and their higher level which should be reached at some point. By assessment of certain competencies which are tied to the job, the foundation for a competency model arises and later it includes also specific competencies related to the specific enterprises which may be changeable once another enterprise is interested in using the competency model.

Why is the paper focused on presentation of the competencies formulation as an effective way of need for changes in personnel management system in lottery market enterprises? The reason is that the usage of competencies and competency models represents still underrated tool of comprehensive and holistic way of managing people in the organization. There is the assumption that the competency model of project manager position will be of a benefit and an advantage for lottery market enterprises in case of any future planned adjustments in personnel management.

# Methodology

The first part of paper is focused on the basic terminology issues and anchors concepts such as competencies. To compile the relevant theoretical outputs linked with the topic the analysis of the relevant information sources (books, papers, and web links) mostly from Czech surroundings was used. It is supposed that the specification of Czech lottery market and of Czech lottery market competencies are so pronounced, that it is not possible to study and compare the foreign information sources to identify the competencies of Czech project manager. The correlation with the solved topic and the topicality of the source were very important criteria for their use in this compilation.

To analyze the competencies of ideal project manager operating on Czech lottery market, the questionnaire of the scale type with the grade valuation 1-6 was used. With the mark 1 is labeled the highest importance of each competence and with the mark 6 the lowest importance. This scale has the task to express who and to which competence he attaches importance and how relevant this competence is. The reason for the scale type of questionnaire is that the questions with qualitative answer are presented in the quantitative form. The scale presents the level of the agreement expressed with the evaluation graduation. Its particular levels are coded, so it is possible to summarize and to average them in final and to work up into the form of graphs.

The questionnaire survey was subjected within the frame of 20 enterprises operating on Czech lottery market. This sample is created with the sum of competitors of AG CZ, Ltd. operating on Czech lottery market.

They mostly have the similar productive programme and shared clients with AG CZ, Ltd. The questionnaires were given to the top managers of the surveyed enterprises (managing directors, directors of certain division, etc.), who had the task to give the questionnaires to their teams, to elaborate them, and to give them back. Seven questionnaires were surveyed in every enterprise. According to the refunded questionnaires, it is supposed that there were no problems with their filling, because all questionnaires and questions were answered.

To define the competencies of ideal project manager operating on Czech lottery market, the synthesis of high cited information and results of analysis of information sources and questionnaire survey was used.

# **Issue of Competencies**

The term "competence" is known and used in general, but not always in the same meaning. Competencies are perceived as an opportunity to comment on some problem or the power to make a decision for the general public (he is in the eyes of others considered as competent). Experts in the field treat the term "competence" more as a character, knowledge, skill, experience, and quality, as "a set of certain conditions for specific activity that supports the achievement of a goal" (Veteška & Tureckiová, 2008, p. 25).

Kubeš, Spillerová, and Kurnický (2004, pp. 14-15) mentioned that Boyatzis already stressed the difference between a task that must be met the abilities that an employee must have in order to fulfil the task well. "This division therefore distinguishes between what we do (the result of our business) and how we behave to fulfil the task perfectly" (Frankovský & Lajčin, 2012).

According to Hroník (2008, p. 24), distinguishing results and ways leading to these results allowed "much better to manage the process and performance". If it is known which competencies should be included in the functional competency model of the employee, it can be useful for him and the whole institution because it helps in their development to improve performance.

Kubeš, Spillerová, and Kurnický (2004, p. 16) stated that one of the ways how to accommodate the term of competence is Woodruff's concept. He sees under this term the "umbrella" which covers everything that may be directly or indirectly related to work performance. He sees competencies as "a set of worker behaviour" which has to be used in the position to handle the tasks competently.

If a worker is identified as being a competent one (he performs assigned tasks to good or excellent level) this implies the following three assumptions cited by Kubeš, Spillerová, and Kurnický (2004, p. 16):

- He is internally equipped with features, capabilities, knowledge, skills, and experience which conduct such essential needs;
- He is motivated to use such behaviour, he sees value in the desired behaviour and is willing to spend the necessary energy this way;
  - He can use behaviour in the environment.

In the above, it is possible to work well with the first assumption because knowledge and skills can be developed. The second assumption is regarding to the motivation for position of man, his value and beliefs (belong to the stable component of human personality) which are influenced far more difficult. While the third assumption is the external condition, it significantly affects the two mentioned above.

The views and conception of the term of competence are many, experts still have different opinions on what is exactly hiding under this term but the essential fact remains that the term of competence is and will continue to be linked to the process and behaviour leading to the desired performance.

This paper uses the concept of competence described by Hroník (2007, pp. 23-26).

We can talk about a competence when it is related to a particular task, position or function. If the requirements and demands for a given position are known, a required competencies from them can be derived and then grouped into the competency model of a given work position. (Kubeš, Spillerová, & Kurnický, 2004, p. 27)

Division of competencies according to Boyatzise (Kubeš, Spillerová, & Kurnický, 2004, p. 27) is very similar to a suchlike division of Prokopenko and Kubr (1996, pp. 25-27):

- the technical competence,
- behavior and manners.

Mostly subconsciously, the competencies are automatically divided into the basic skills which a worker shall "bring" in his position and the competencies related to performance, respectively behavior which leads to effective performance.

Armstrong's concept of competency division described by Kovács (2009, pp. 19-20) is then beneficial for the job thanks to his typology division in which generic competencies divisive figure in the universal and competencies within the institution. This division is reflected in the present intent to create a competency model to use slight modifications in multiple organizations. In order to ensure this model's subsequently operating, it is necessary to include such competencies. The development of higher performance is achieved by a worker at a given position.

The base for the creation of a competency model consists of competencies' identification. Purposefully identified and defined competencies which are needed for effective implementation of the objectives and tasks of the enterprise, result in several comprehensive compilation units which can be described as a group or a type of competencies and these subsequently merge into a comprehensive competency model. (Veteška, 2010, p. 142)

# **Results**

The competencies of project managers in the lottery enterprises are very general term, because every enterprise has different demands on his leader. Most of the lottery enterprises do not know yet, which form the lots of competencies are the most important, which the enterprise should prefer. It is a big call to verify this theory and to practice it to be successful in the competition fight in the today's flooded market.

From the summary spider graph (Figure 1), it presents the evaluated competencies, the weaknesses, and strengthens in the particular enterprises defined.

The done survey in the lottery enterprises shows that "the independency" is the most necessary competence of project manager at present time. According to the mentioned answers and from the comparison of the assessment splints this fact is very clear. The second important competence is the "ability to work in team", whence the fact results that the managers are able to reach good performance as a separate units and as a team as well. The competence "communication" is the third competence. Very especial is the fact that the competence "economical knowledge" is not felt by the managers of lottery enterprises actual right now. Other competencies placed in the middle of the valuation field are taken into account. They placed in this order: "time independence", "technical knowledge", "ability to manage", "aptitude", and finally the "flexibility".

From the summary graph (Figure 2) of the competencies of ideal project manager in the lottery enterprise, it is evident that every competence has another importance for the enterprise. It means that all surveyed enterprises have another demand on their project manager.

Now it is evident which competencies are essential for the future project managers of surveyed lottery enterprises and which competencies are found as less important at present days.

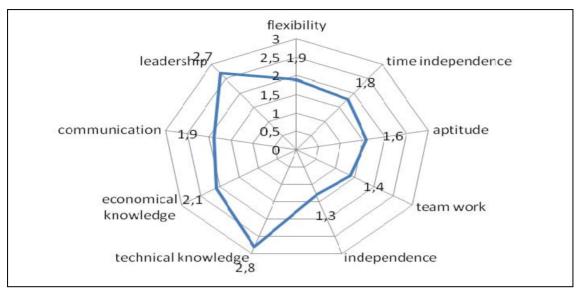


Figure 1. Results of analysis of lottery market project manager's competencies.

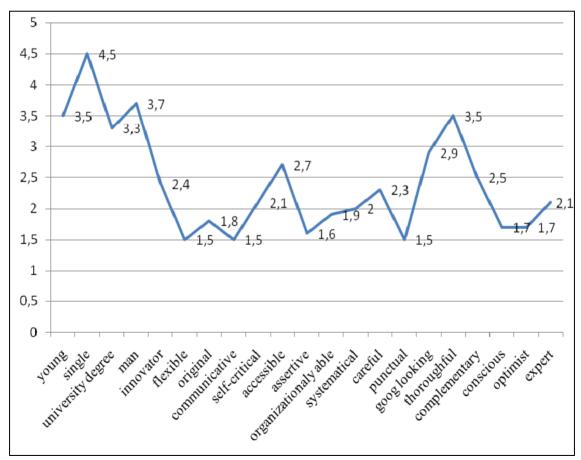


Figure 2. Definition of the competencies of ideal project manager operating on Czech lottery market.

## **Discussion**

The project manager cooperates with the people who he did not choose alone, and lots of them have various abilities and interests. In addition, the project manager is a manager and is not the executor of task. The project manager has to dedicate to working with people and to the planning of their work, so that he did not look over anything and so that there were prepared the plans for the management of the extra events, if it is necessary.

Generally said, in praxis, a person does not become a project manager because he was an excellent programmer or carpenter than because he studied this project management specification or he proved the ability to win this occupation. But the master of technical performance is not the enough qualification for the management of the project team. The project managers as well as other managers have to be acquainted with the people than in the technical problems. For lots of technically educated people who became a project manager can be very difficult to deal with people. The behavior of the tangible systems usually repeats and it is possible to predict them, but it is impossible to predict the behavior of people.

"We behave in another way, when everything goes right and in another way, when we knock against the protestation or we get into the conflict situation" (Kentoš & Sláviková, 2013, p. 38; Franklin & Tuttle, 2008, p. 56). And the people differ asunder, some of them have the trend towards the disinterested help, some people outbalance the effort to achieve, and another have the analytic and autonomous orientation. To have this problem more complicated, it is necessary to realize that the same thing told to the same person in various time calls different reactions.

The extemporaneousness of the human reactions can become fateful to lots of fair project managers. The project managers must deal with the expert and emotional questions. As far as they do not master the problems of the interpersonal relations, they should begin to study the theory of behavior (Lajčin, 2014; Doležal et al., 2009; Frankovský, Lajčin, & Sláviková, 2012; Morris & Pinto, 2007).

The first step that the future project manager should go through is the graduation of the project manager certification. The certification program is a prompt for the heads and members of the project teams for the currency and improvement of their knowledge, experiences and personal access, and the improvement of the project competence and in the primary row for the better achievement of the project goals.

There are lots of contributions of the certification program. It concerns about the internationally reputable certificate of their qualification and competence, for the services providers, this means the demonstration of the profession qualification and competence of their employees, for the customers these programs confirm the obtaining of the top professional services in the frame of the project management.

Ideal project managers are sometimes called "the talents" or "the champions" (Frankovský et al., 2012; Doležal, Lacko, & Máchal, 2009; Franklin & Tuttle, 2008; Miloševič, 2003; Hrazdilová Bočkováet et al., 2015) and they are extremely asked, because Czech Republic is lack of such project managers. It is discussed very often, which competencies have to dominate the knowledge, talent or the innate assumptions, and abilities for management. The assumptions for the work of project manager can be divided into the innate assumptions and into the assumptions that change with the practice, upbringing, and education. The temper and intelligence belong to the innate assumptions. The ability to ask the questions, to discover, and to solve the problems is inborn, and can be partially changed with the upbringing and this ability belongs to the intellectual facility. This facility bears such competencies as power of imagination, right opinion, and the ability of effective communication.

## **Conclusion**

Even if a quality level of project management is elaborated in detail with the use of methodologies and rules, the result fully depends on the people who make up the organizational structure of a particular project. Although it is important for the daily management to fill up individual sub-tasks which are the result of individuals or small work groups, the overall success of the project and the achievement of the set objectives are significantly dependent on the cooperation of the entire project team.

The project team often accounts for a group of specialists of the company from other departments that could have previously worked temporarily on any project. Also, the uniqueness of the project in a sense of its originality without any previous imitation emphasizes the clear allocation of managerial authority and decision-making skills. The role of a project manager becomes more important in such an environment. For all these reasons, each project, as well as every other business group or its organizational structure, has their own rules of decision-making, hierarchical rules of negotiation and authorization, and hierarchical system of sharing responsibility from partial results to global objectives of the project.

The qualification and the personal assumptions of project managers are one of the important conditions of future enterprise's development. Right now it is clear that the strategy of successful enterprise is based on the so called evolutional management, on the managers, who are oriented to the situation's solution and they have the ability to create and develop the vision with the appropriate time horizon.

Very similar survey was made in frame of the Research Into the Competitive Abilities of Czech Industrial Producers in 2005, that is published by Bočková, Ohnoutková, Kožíšková, Dupalová, and Vráblík (2005). This survey was aimed to the construction industry. Detailed research dealing with the competencies of project manager linked with the motivation and motivation factors in construction industry is published by Bočková (2003a; 2003b).

Another relevant research was made in frame of project KEGA supported by the Ministry of Education, Slovakia (diagnosis system of the identification of the competencies of the managers of the national and international educational projects) in the field of the educational institutions. The final data are summarized by Hrazdilová Bočková et al. (2015) or Hrazdilová Bočková and Maťovčíková (2013) and Hrazdilová Bočková, Hrvolová, Polčáková, and Maťovčíková (2014).

Because the situation in construction, education, and lottery industry is very similar, these data can be compared. But it is necessary to note that the situation on the lottery market is specific in some aspects. The number of customers and potential clients is already done and it is relatively unchangeable. The market entry is very difficult because of legislation and finance. The establishment of lotteries is treated with the lottery law and it can be established only by the Czech juristic person.

The project manager in construction, education, and lottery industry works with the unchangeable sample of customers and clients and this fact must be calculated in the comparison of the analysed results in construction, education, and lottery industry.

The primary aim of the paper, to define the competencies of ideal project manager operating on Czech lottery market, has been reached. The identified competencies might be usable in lottery enterprises to create the project manager competency model within the frame to improve the human resource management in the enterprise. Its creation shall assist in more efficient management of the staff as competencies will more accurately reflect their corporate activities. It will help to improve the selection of new employees, to find a

more suitable method of their evaluation (followed by development opportunities and professional growth), and thus to set also more suitable incentive system.

## References

Bočková, K. (2003a). The qualities of project manager. PM TAGE 2003.

Bočková, K. (2003b). Vlastnosti projektového manažera ve stavební enterpriseě. E+M Ekonomie a Management, 6(1), 22-26.

Bočková, K., Ohnoutková, S., Kožíšková, H., Dupalová, P., & Vráblík, M. (2005). Primární role inovačního potenciálu s podporou projektového managementu v posilování konkurenceschopnosti české výrobní firmy. *Research Into the Competitive Abilities of Czech Industrial Producers. Workshop Proceedings.* Zlín: Univerzita Tomáše Bati ve Zlíně, Fakulta managementu a ekonomiky.

Doležal, J., Lacko, B., & Máchal, P. (2009). Projektový management podle IPMA. Praha, Grada.

Franklin, M., & Tuttle, S. (2008). Leadership skills for project and programme managers. London: TSO.

Frankovský, M., & Lajčin, D. (2012). Zvládanie náročných situácií v manažérskej práci. Praha: Radix, s.r.o.

Frankovský, M., Lajčin, D., & Sláviková, G. (2012). Social intelligence as a predictor of managers behaviour in demanding situations of managerial work. *Management International Conference: Research in Management and Business in the Light of Practical Needs*. Prešov.

Gabrhel, J., & Hrazdilová Bočková, K. (2015). Innovation manager and his position in the company. *International Business Management. Medwell Journals*, 9(5), 685-693.

Gido, J., & Clements, J. P. (2015). Successful project management. Stamford: Cengage Learning.

Heptonstall, J. (1997). Project management. Praha: Národní vzdělávací fond.

Hrazdilová Bočková, K. (2009). Budoucí scénáře českého projektového řízení. E+M Ekonomie a Management, 12(3), 6-12.

Hrazdilová Bočková, K., & Matovčíková, D. (2013). Manager of educational project and his competencies. *Eurasian Journal of Business and Management*, 1(2), 43-47.

Hrazdilová Bočková, K., Hrvolová, M., Polčáková, M., & Matovčíková, D. (2014). Manager of educational project and his competencies. *Recent Advances in Economics, Management and Development*. Interlaken, Switzerland, 79-84.

Hrazdilová Bočková, K., Škoda, M., Polčáková, M., & Rozvadský Gugová, G. (2015). *Kompetence manažeru národních a mezinárodních vzdělávacích projektu*. Dubnica nad Váhom: Dubnický technologický inštitút v Dubnici nad Váhom.

Hroník, F. (2007). Rozvoj a vzdělávání pracovníku. Praha: Grada.

Hroník, F. (2008). Kompetenční modely. Brno: MotivPress.

Kentoš, M., & Sláviková, G. (2013). Zvládanie stresu manažérmi. Brno: Radix.

Kerzner, H. (2013). *Project management: A systems approach to planning, scheduling, and controlling.* Hoboken, New Jersey: John Wiley & Sons.

Kovács, J. (2009). Kompetentní manažer procesu. Praha: Wolters Kluwer ČR.

Kubeš, M., Spillerová, D., & Kurnický, R. (2004). Manažerské kompetence: zpusobilosti výjimečných manažeru. Praha: Grada.

Lajčin, D. (2014). Projektové řízení. Dubnica nad Váhom: Dubnický technologický inštitút v Dubnici nad Váhom.

Leach, L. P. (2005). Lean project management: Eight principles for success. Boise: Advanced Projects.

Milošević, D. (2003). Project management toolbox: Tools and techniques for the practicing project manager. Hoboken, N.J.: J. Wiley & Sons.

Morris, P. W., & Pinto, J. K. (2007). The Wiley guide to project organization & project management competencies. Hoboken, N.J.: J. Wiley & Sons.

Newton, R. (2008). Úspěšný projektový manažer. Praha: Grada Publishing.

Novotný, J., & Hrazdilová Bočková, K. (2010). Project manager's characteristics in Czech lottery industry. *Hradecké ekonomické dny 2010*. Hradec Králové: Univerzita Hradec Králové, Fakulta informatiky a managementu.

Portny, S. E. (2007). Project management for dummies. Indianapolis: Wiley Publishing.

Prokopenko, J., & Kubr, M. (1996). Vzdělávání a rozvoj manažeru. Praha: Grada.

Rolínek, L., Holátová, D., Březinová, M., & Kantnerová, L. (2014). Behaviour of small and medium-sized enterprises in terms of their strategic management and their goals. *Mathematical Methods in Engineering and Economics*. Sofia. 92-99.

Veteška, J. (2010). Kompetence ve vzdělávání dospělých. Praha: Univerzita Jana Amose Komenského.

Veteška, J., & Tureckiová, M. (2008). Kompetence ve vzdělávání. Praha: Grada.