

The Perspectives of Store Manager Required Competencies Based on DANP Model

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1. Introduction

As the consumer market has grown vigorously in recent years, retailing has become the second largest industry in Taiwan in terms of both the number of establishments and employees, and has forced competition among all retailers to become more and more fierce. Retailers now must not only emphasize “quantity” to control prices, but also place a strong importance on product and employee’s “quality” to create extra value added for all consumers. Prahalad and Hamel (1990) state that a company’s competitiveness derives from its core competencies and that these constitute the collective learning in the organization. One reason for the popularity of competency programs is the belief that traditional job-based management systems may impede an organization’s speed and agility in the face of today’s globalization and rate-of change challenges. By contrast, a competency-based system should be organized around the capabilities and capacities needed to create customer value (Prahalad & Hamel, 1990). The development of an effective competencies framework and a complementary performance management program provide criteria for enterprises to select high performance managers, to enhance individual growth, and in the longer term, to also increase shareholder value.

Lawler (1993) highlighted the distinction: “Despite its historical utility, there is growing evidence that it may be time for many organizations to move away from a focus on jobs and towards a focus on individuals and their competencies. In the retailing store system, managers play the most important role as the front line management in retailing industry, and should be considered as an independent decision maker in performing activities such as store operation and maintenance, product selling and performance achieving, customer relations and business district management. Furthermore, the job of store managers is further complicated in

that they have to implement orders that derive from headquarters’ strategies as well, forcing them to deal with both an internal and an external changing environment. Thus, an imperative issue arises of helping store managers to enrich their competencies by segmenting a set of competencies and investigating the influences between grouped competencies in order to effectively facilitate competency development. So far, few works have discussed this issue.

To aid in solving this issue, the research methods of DEMATEL (Decision Making Trial and Evaluation Laboratory) and ANP (Analytic Network Process) are suitable. The DEMATEL method (Gabus & Fontela, 1972) is a potent method that helps in gathering group knowledge for forming a structural model. Hence, there exists a need to extend the DEMATEL method with ANP logic for making better decisions. Therefore, the purpose of this study is twofold. First, use the theory of MCDM to search relative references and generate a set of store manager competencies dimensions and criteria, and then build up the dimension framework by using DEMATEL. Secondly, use store managers and retailing HR experts’ questionnaires to investigate the influences between competency dimensions and also understand the perspective gap between store managers and HR specialist’s on the competencies needed to achieve the aspired level, the HR specialist’s standard level.

The graphs will be structured. ANP helps clarify the importance among required competencies needed to better promote the competency development of retail store managers; it will be used in finding the original problems among the factors to help conduct better selection and training in the organization.

2. New Hybrid DANP-MCDM Model for Improving Retailing Business

This paper uses two methods to establish the evaluation model based on a new hybrid MCDM

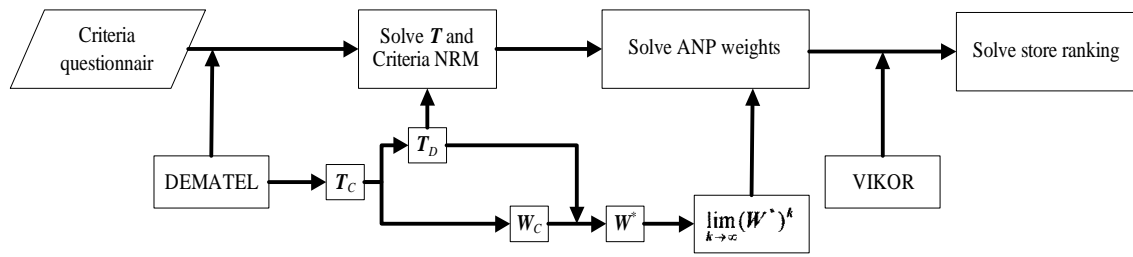


Fig. 1. Model procedures of the current research.

model to address dependent relationships among criteria. The first method uses the DEMATEL technique to build an NRM. An ANP method is then used to obtain the relative importance of weightings in preferences for each criterion. The research process is illustrated in Fig. 1.

3. Empirical study for retailing business

Dealing in the competitive retailing industry, all retailers need to have an awareness of how to enrich the required competencies for their store managers. This paper examines four dimensions, i.e., Interpersonal, Business Management, Conceptual, Professional (Katz 1955; Golec, 2006) and sixteen criteria, i.e., staff leadership, training and facilitation, customer orientation, team cooperation, transformative leadership, decision making, planning and organizing, problem solving, personnel management, financial performance, integrity, emotional management, achievement orientation, merchandising and store management, product knowledge, sales ability (Todd et al., 2009). For retailing store managers to define their managerial competencies, the influences among them and an investigation of how perspectives differ between store managers and retailing specialists was also conducted. Our questionnaire was administered to ten retailing HR specialists and ten store managers. The researcher conducted a face-to-face questionnaire. This paper ranks the dimensions and criteria with respect to the importance of their influence using a five-point scale ranging from four (extremely important influence) to zero (no influence).

3.1 Problem descriptions

All retailers might have an ability to establish their own competency model for high performance store managers, but few are effective in investigating whether and how heavily

weighted dimensions are influenced by others. To successfully improve certain competencies one should find out the relationship of influences among those criteria beforehand. Another issue is that there is always a perspective gap regarding the competencies between implementers (store managers) and planners (HR specialists). This research discusses the gap between both of the parties, and how to facilitate store managers to achieve the aspired level from HR specialists.

3.2 Measuring relationships among dimensions for building NRM

The study shows that from the retailing HR specialists' point of view, professional dimensions are influenced by interpersonal, business management and conceptual, these three dimensions. But from the perspectives of store managers both professional and conceptual dimensions are influenced by interpersonal and business management. We realized that there exist perspective differences for both parties.

3.2.1 The Perspectives of Retailing HR specialists

Therefore, to improve perceived insufficient professional competencies of store managers, HR specialists think store managers should first improve in the conceptual and interpersonal dimensions, and that to better develop their competencies, store managers should place a focus not on the professional dimension itself but integrity and emotional management as the most significant influential criteria in the conceptual dimension, especially regarding the criteria of emotional management.

3.2.2 The Perspectives of Store Managers

Store managers believe that the conceptual dimension is the one influenced by others the most. In order to improve insufficiency in the conceptual dimension, more focus should first be put on improving the interpersonal, business

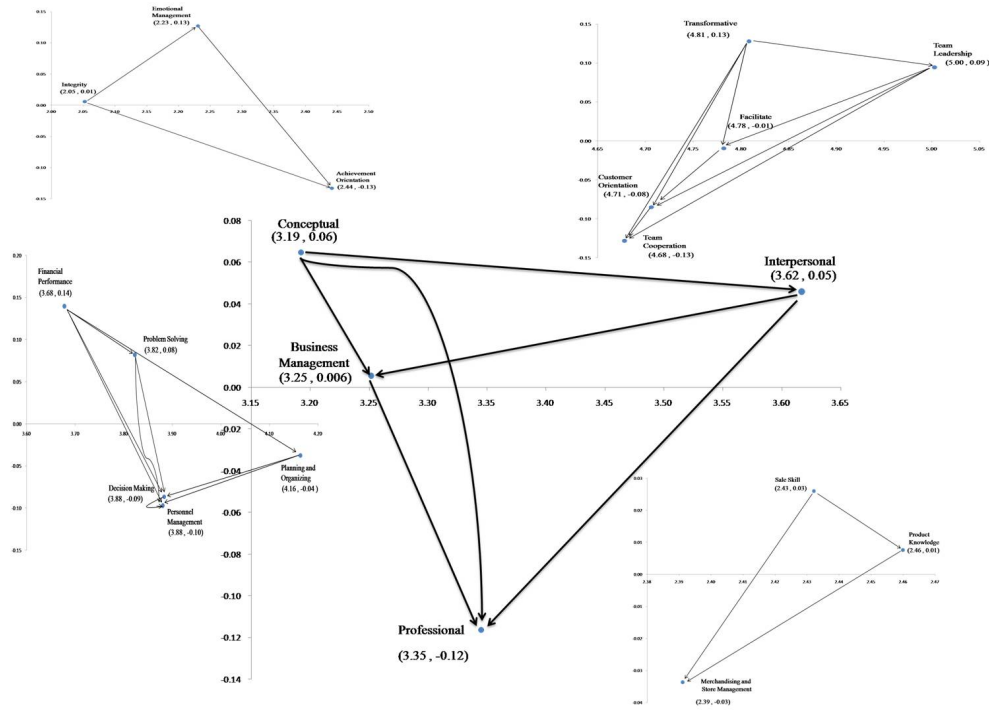


Fig. 2. The impact-relations-map of relations (Retailing HR Specialist Perspectives)

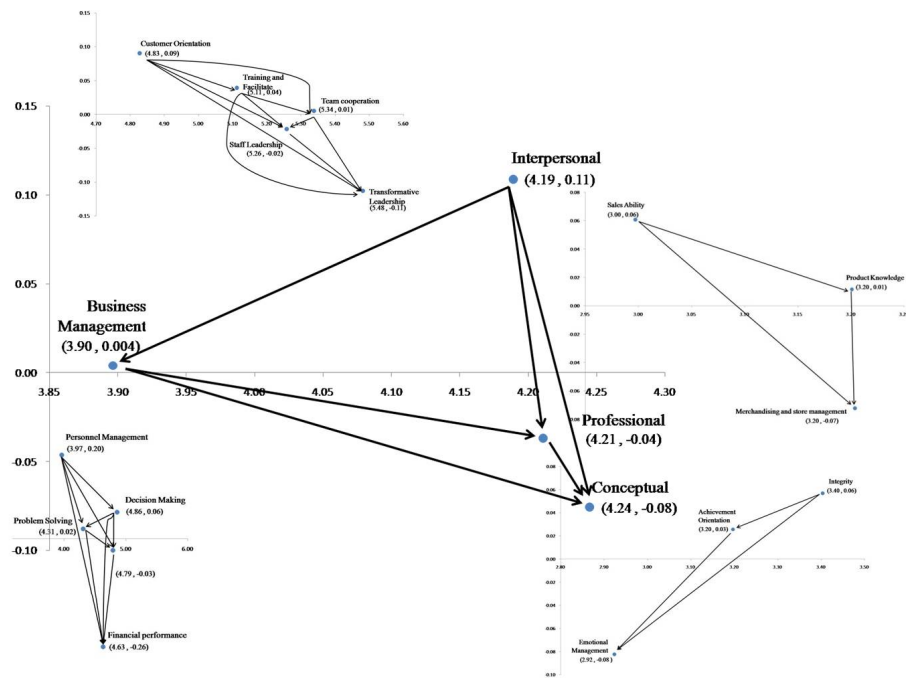


Fig. 3. The Impact-Relations-Map of Relations (Store Manager Perspectives)

management and professional dimensions. Therefore, store managers think that being a high performance store manager depends on how many conceptual skills they have. To better develop competencies in the conceptual dimensions, store managers should take the initiative to improve interpersonal and business management in advance. In the interpersonal dimension, training and facilitation, customer orientation and team

cooperation are the key criteria, and especially, customer orientation is the most significant influential criteria among them. Hence, as customer orientation improves, the better the interpersonal dimension performed. And as the interpersonal improves, the better the conceptual dimension performed.

3.3 Discussions

In this study, we segment a list of

competencies especially for high performance store managers by METATEL model, and use ANP method to clarify the relations among four dimensions between two parties. (eg., HR specialists and store managers). According to the evaluation results, we will derive several management implications as follows:

Firstly, from the weighting results HR specialists and store managers have different perspectives, with HR specialists more focused on interpersonal issues, especially staff leadership, and store managers paying more attention to conceptual issues, especially integrity. **Secondly**, Interpersonal is the most valuable dimension from the HR specialist point of view, meaning that it's the first portion to improve for store managers. The DEMATEL graph demonstrates that interpersonal dimension is also the most influential factor among others. On the other hand, conceptual is the most valuable dimension from the store manager's view, but when we track the origins, it actually has a big influence from the interpersonal dimension. **Thirdly**, both HR specialists and store managers choose the professional dimension (i.e., merchandising and store management, product knowledge and sales ability) as the second most important factors.

In our research, conceptual dimension (eg., integrity, emotional management and achievement orientation) is difficult to be changed, so that it can be used as the critical criteria for recruiting the right store managers.

4. Conclusions

This study successfully identified high performance store manager required competencies and the relations among four dimensions by using the different perspectives between retailing HR specialists and store managers. In order to facilitate competency development, segmenting a set of the effective competency model specifically for store managers is very crucial to the future of retailers' competitiveness. On the other hand, the competency model is not a set of independent criteria; there exist relations among them. By applying DEMATEL method the extent of influences among dimensions and origins of influential criteria were explored. It allows organizational researchers to better specify where

and in what form synergies exist and to choose the appropriate competency development strategies. From the perspectives of HR specialists, integrity and emotional management in conceptual dimension; staff leadership and transformative leadership in interpersonal dimension are the most influential criteria, from the perspectives of store managers, training and facilitation, customer orientation and team cooperation are the key criteria and especially, customer orientation is the most significant influential criteria among them. The proposed ANP method successfully weights the important criteria from both parties. However, HR specialists weight interpersonal before others and store manager highlight the conceptual as the most important dimension. The research intended to raise the awareness in retailing industry regarding the perspectives differences between store managers (implementers) and those of retailing HR specialists (planners).

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