

The 4th International Conference on Entrepreneurship

#### ANTECEDENT FACTORS INFLUENCING MANAGER COMPETENCY

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#### **ABSTRACT**

**Objectives**: This study investigates the mediating role of Protestant Work Ethic (PWE) in the relationships between Organizational Culture (OC), Transformational Leadership (TL), and Personality (P) on Teacher Performance (TP) in private Christian elementary schools in Banten Province.

**Methodology**: A quantitative survey was conducted from November 2021 to May 2022, involving 236 Christian elementary school teachers as respondents. Data were collected using questionnaires and analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM).

**Findings**: The hypothesis testing results indicate that Organizational Culture positively influences Protestant Work Ethic, while Transformational Leadership negatively affects it. Personality does not significantly impact Protestant Work Ethic. Furthermore, Protestant Work Ethic has a significant positive effect on Teacher Performance. Both Organizational Culture and Personality directly enhance Teacher Performance, whereas Transformational Leadership does not show a significant direct impact. Mediation analysis reveals that Protestant Work Ethic partially mediates the relationship between Organizational Culture and Teacher Performance, as well as between Personality and Teacher Performance, but not between Transformational Leadership and Teacher Performance.

**Conclusion**: The study concludes that OC and P are crucial factors in improving TP, with PWE playing a significant mediating role. TL's negative impact on PWE suggests the need for further investigation into leadership styles within this context. The findings underscore the importance of fostering a positive organizational culture and developing personal competencies to enhance teacher performance.

**Keywords**: Organizational Culture; Transformational Leadership; Personality; Protestant Work Ethic; Teacher Performance; Private Christian Schools

#### INTRODUCTION

In the era of globalization and rapid business growth, organizations, including private university institutions, face complex challenges to ensure their managers possess the necessary competencies. Managers are not only expected to lead and manage teams effectively but also to make strategic decisions to ensure operational efficiency and effectiveness. Specifically, managers in private university institutions have significant responsibilities in overseeing operational and administrative activities to achieve the set organizational goals.

According to Black (2015), leadership in university institutions has been increasingly scrutinized since the 1980s due to the rising number of students, changes in funding for student places, increased marketization and student choice, and the continued globalization of the sector. In this changing climate, university institutions need to consider how to develop their leaders and what leadership behaviours are appropriate to enable adaptation to these new circumstances. When various leadership paradigms in the education sector are compared with existing leadership theories and practices, it is possible to identify further intricacies in university leader development. Further consideration of practicalities in education identifies whether a competency framework can assist in leadership development. Testing the recently developed comprehensive framework regarding leadership capabilities applied in alternative sectors leads to evaluating whether the same constructs apply to the demands placed on university leaders (Spendlove, 2007). Defining activities and behaviours provides insights into how college leaders can be developed, thereby forming a potential leadership capability framework for universities.

#### The 4th International Conference on Entrepreneurship

Research by Ringo et al. (2023) indicates that the ability to innovate in the digital era significantly correlates with an organization's ability to compete in an increasingly digitally connected market. A study by Hillson, & Murray-Webster (2017) highlights that managers who can take measured risks are better able to seize new opportunities and manage uncertainty, which is crucial in the context of rapid and unpredictable changes.

In preparing competent managers to face these challenges, several antecedent factors need to be thoroughly considered. This study aims to explore the deep relationships between these factors and managerial competencies in the context of private university institutions. Therefore, it is hoped that this research can provide guidance for educational institutions to develop and select managers who are not only capable of fulfilling current responsibilities but are also ready to face the dynamic and complex challenges of the future.

#### LITERATURE REVIEW

## **Managerial Competency**

A manager's role involves overseeing organizational or business unit operations with the aim of achieving objectives set by the organization (Atuahene-Gima, 1996). Managers are expected to make effective decisions while motivating and guiding employees towards optimal performance. In the context of private universities, a manager is responsible for supervising the operational and administrative activities of the university to meet established organizational goals. The primary responsibility of managers in private universities is to ensure the provision of high-quality educational services that meet student needs while generating profit for the institution. Therefore, managers must possess dynamic skills for self-improvement (Abraham et al., 2001; Cannas, 2023).

Additionally, in today's digital age, a manager's ability to innovate and take risks is crucial (Ringo et al., 2023). Moreover, a manager's ability to use technology to facilitate digital transformation within the organization is crucial (Kane, 2015).

Managers in private universities must have several key characteristics that enhance their effectiveness in this role, as follows:

- 1) Creativity. A proficient manager must demonstrate creative and innovative thinking. They should be able to generate new ideas that attract prospective students and differentiate the college from its competitors (Mumford & Gustafson, 1988; Drucker, 2001).
- 2) Effective Communication. Managers must have strong communication skills, both orally and in writing. They should be able to convey clear and convincing messages to their target audience while effectively collaborating with various stakeholders within and outside the organization (Clampitt, 2005; Bovee & Thill, 2018).
- 3) Analytical Skills. A manager must have strong analytical skills, including the ability to gather and analyses market data, trends, and competitive information. This information should be used to develop effective strategies (Davenport & Harris, 2007; Fleisher & Bensoussan, 2015).
- 4) Technical Mastery. In today's digital era, a manager must master technology, including social media, search engine optimization, and the use of devices (Bharadwaj, 2013; Fitzgerald et al., 2013).

This study proposes conceptual, interpersonal, and technical competencies that influence Managerial Competency, as explained below:

#### **Conceptual Skills**

Conceptual skills are an individual's ability to understand complex ideas, systematically analyse situations, and identify relationships between various concepts that may not be directly related or clear (Daft, 2021). These skills include the ability to break down complex ideas, organize information

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systematically, and identify connections between different elements, even when their relationship is not immediately apparent. This enables individuals to tackle complex challenges, make informed decisions, and develop a holistic understanding of the situations they face.

Indicators used in this study include:

- Internal-external factor relationships
- Identification of complex problems
- Integration of business aspects
- Long-term strategy
- Holistic performance evaluation
- Market trend identification
- Vision and mission
- Organizational policies

#### **Interpersonal Skills**

Interpersonal skills refer to the ability to interact, communicate, and collaborate with others effectively and efficiently in social and professional contexts (Robbins & Judge, 2016). These skills include good listening skills, clear and effective speaking abilities, building good relationships with others, managing conflicts, motivating and leading others, and adapting to various social and cultural situations. Strong interpersonal skills help individuals build harmonious relationships, enhance team productivity, and effectively achieve shared goals.

Indicators used in this study include:

- Team management
- Colleague relationships
- Interpersonal conflicts
- Effective feedback
- Networking

#### **Technical Skills**

Technical skills are an individual's ability to use specific methods, procedures, or techniques in a particular field or discipline, such as science, technology, or mechanical expertise (Schermerhorn & Bachrach, 2021). These skills enable individuals to perform technical tasks with precision and effectiveness, as well as to solve problems that arise within their work environment.

Indicators used in this study include:

- Workplace technology
- Technical skills
- Technology updates
- Operational processes
- Industry requirements

#### **Managerial Competency**

Managerial competency is a set of skills, knowledge, and personality characteristics required by a manager to effectively perform their duties (Spencer & Spencer, 1993).

Indicators used in this study are drawn from Arifin et al. (2020), namely:

- Organizational resources
- Achievement of targets
- Strategic decisions

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- Employee motivation
- Performance measurement
- Complex problem solutions
- Industry requirements
- Adaptation to change
- Data and analysis
- Resource allocation

### **Conceptual Skills and Managerial Competency**

According to Bhardwaj & Punia (2013), managerial competency encompasses various skills including communication, teamwork, proactivity, vision, self-management, results orientation, strategic orientation, ambition, perseverance, decision-making, risk-taking, and creativity. These competencies have a positive impact on managerial performance. Veliu & Manxhari (2017) emphasize that professional, social, and personal competencies influence business performance. Hillson, & Murray-Webster (2017) also highlight that conceptual skills are crucial leadership competencies for frontline nurse managers. Ghorbani (2023) supports the importance of conceptual competencies in developing strategies within companies.

Based on these descriptions, the developed hypothesis is:

H1: Conceptual Skills have a positive influence on Managerial Competency.

### **Interpersonal Skills and Managerial Competency**

As mentioned by Bhardwaj & Punia (2013), managerial competency includes various skills such as communication, teamwork, proactivity, vision, self-management, results orientation, strategic orientation, ambition, perseverance, decision-making, risk-taking, and creativity. These competencies positively impact managerial performance. Hillson, & Murray-Webster (2017) emphasize the importance of interpersonal skills as a leadership competency for managers. Ghorbani (2023) stresses the significance of interpersonal competencies in building cooperation within companies.

Based on these descriptions, the developed hypothesis is:

H2: Interpersonal Skills have a positive influence on Managerial Competency.

#### **Technical Skills and Managerial Competency**

Based on Bhardwaj & Punia (2013), managerial competency includes various skills such as communication, teamwork, proactivity, vision, self-management, results orientation, strategic orientation, ambition, perseverance, decision-making, risk-taking, and creativity. These competencies have a positive impact on managerial performance. According to Mintzberg (2009), essential skills for a manager include knowledge, management skills, interpersonal skills and attributes, professionalism, expertise, emotional skills, contextual skills, influencing skills, teamwork, and cognitive skills. Hillson, & Murray-Webster (2017) highlight the importance of technical skills as a leadership competency for frontline nurse managers. Ghorbani (2023) emphasizes the need for technical competencies in creating campaigns.

Based on these descriptions, the developed hypothesis is:

H3: Technical Skills have a positive impact on Managerial Competency.

#### **Research Model**

This research model will explore the relationship between conceptual skills, interpersonal skills, and technical skills with managerial competency in private universities. Each proposed hypothesis will be tested to determine whether these skills have a positive and significant influence on managerial competency. Below is the proposed research model diagram:

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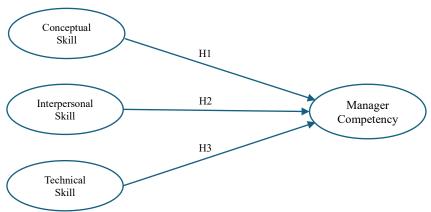


Figure 1: Proposed Research Model

#### **METHODS**

This study adopts a cross-sectional study design, based on the premise that a single point of data collection is sufficient to depict the phenomenon under study (Sekaran & Bougie, 2016). This design was chosen because it allows researchers to gather data from many respondents in a short period, facilitating a general overview of the variables being studied at a specific time.

The research focuses on individual students from four private universities in Indonesia. The selection of student samples from these universities is based on demographic and geographic variations expected to provide a good representation of the broader population. Data were collected through a questionnaire designed to measure various aspects of managerial competencies, including conceptual, interpersonal, and technical competencies.

The collected data were analysed using Partial Least Squares Structural Equation Modelling (PLS-SEM), including reliability and validity tests (Hair et al., 2019) and processed through SmartPLS.

Data Sampling Data collection involved primary data, gathering 150 responses from active undergraduate and graduate students from four private universities in Jakarta and Tangerang. The sampling process aimed to obtain accurate and representative information about the population under study. Respondents were active students enrolled in these universities, ensuring that the data obtained were relevant to current situations and conditions.

#### **RESULTS**

The results of the data analysis are presented to provide a clear overview of the influence of Conceptual, Interpersonal, and Technical Skills on Managerial Competence in the context of private university institutions as follows:

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Table 1. Outer Loading

	Conceptual Skill	Interpersonal Skill	Manager Competency	Technical Skill
CS3	0.727			
CS4	0.774			
CS7	0.814			
CS8	0.783			
IS1		0.782		
IS2		0.835		
IS3		0.764		
IS4		0.781		
IS5		0.736		
MC2			0.710	
мсз			0.721	
MC4			0.739	
MC5			0.822	
MC6			0.760	
MC7			0.806	
MC8			0.781	
MC9			0.779	
TS1				0.768
TS2				0.841
TS3				0.750
TS4				0.847
TS5				0.840

All indicators have values greater than 0.706, indicating their reliability as per Hair et al. (2019).

Table 2. Construct Reliability

	Cronbach's alpha	Composite reliability (rho_a)	Composite reliability (rho_c)	Average variance extracted (AVE)
Conceptual Skill	0.778	0.779	0.858	0.601
Interpersonal Skill	0.839	0.840	0.886	0.609
Manager Competency	0.899	0.899	0.919	0.586
Technical Skill	0.869	0.877	0.905	0.656

All Cronbach's alpha values are greater than 0.7, and composite reliability exceeds 0.7, indicating that all constructs are reliable (Hair et al., 2019).

Table 3. **HTMT** (Heterotrait-Monotrait Ratio of Correlations)

	Conceptual Skill	Interpersonal Skill	Manager Competency	Technical Skill
Conceptual Skill				
Interpersonal Skill	0.863			
Manager Competency	0.842	0.802		
Technical Skill	0.639	0.720	0.768	

All VIF values are < 5, indicating that all constructs are reliable and thus valid (Hair et al., 2019).

Table 4. Inner VIF

	Conceptual Skill	Interpersonal Skill	Manager Competency	Technical Skill
Conceptual Skill			2.004	
Interpersonal Skill			2.354	
Manager Competency				
Technical Skill			1.678	

All VIFs are < 5, indicating that all constructs are reliable and thus considered valid (Hair et al., 2019).



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Table 5. **R-squared** 

	R-square	R-square adjusted
Manager Competency	0.655	0.648

This result indicates that Competence in Skills, Interpersonal Competence, and Technical Competence explain Managerial Competence by 65.5%, with the remaining 34.5% explained by variables outside the scope of this study. The R-squared is moderate, based on Hair et al. (2019).

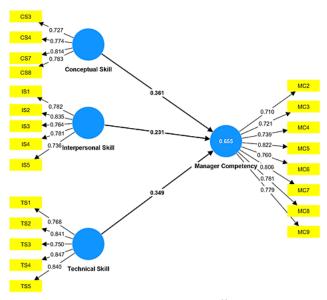


Figure 2. Outer Loading

Table 6. **Hypothesis Testing Results** 

	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics ( O/STDEV )	P values
Conceptual Skill -> Manager Competency	0.361	0.359	0.099	3.641	0.000
Interpersonal Skill -> Manager Competency	0.231	0.238	0.088	2.634	0.008
Technical Skill -> Manager Competency	0.349	0.350	0.073	4.810	0.000

All hypotheses have a t-statistic > 1.65 and a p-value < 0.05, indicating that all variables—Skills Competence, Interpersonal Competence, and Technical Competence—positively and significantly influence Managerial Competence.

The research findings indicate that conceptual skills, interpersonal skills, and technical skills all have a significant positive impact on managerial competence in private universities. Conceptual skills have the greatest influence, followed by interpersonal skills, and then technical skills. These findings are consistent with existing literature, emphasizing the importance of various managerial skills in the educational context.

#### **CONCLUSION**

This study demonstrates that Conceptual, Interpersonal, and Technical Skills have a significant impact on Managerial Competence in private university institutions. The analysis results indicate that Conceptual Skills play a primary role in enhancing Managerial Competence, followed by Interpersonal Skills and Technical Skills. These findings provide deeper insights into the factors influencing managerial performance in an educational context.

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#### Recommendations

To enhance managerial development in private university institutions, several recommendations can be considered:

- Focus on developing conceptual, interpersonal, and technical skills through structured training and development programs for managers. This can help enhance their abilities in making strategic decisions, leading teams effectively, and managing change in a dynamic educational environment.
- Encourage managers to develop holistic leadership capabilities, including the ability to build strategic vision, motivate teams, and adapt to change.
- Strengthen an organizational culture that supports innovation, collaboration, and continuous learning. This can create an environment conducive to sustainable managerial competence development.

#### **Future Research**

For future research, it is recommended to consider additional factors that may influence managerial competence, such as specific organizational culture, dynamics of the external environment, and implications of university policies. Expanding the sample scope and involving a broader range of university institutions can also provide more comprehensive insights into the factors influencing managerial competence in the context of private universities.

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