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ANALYSIS OF PROJECT MANAGER COMPETENCIES IN JOB POSTINGS IN LATVIA

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Abstract

The problem is that many job postings with the title "project manager" do not correspond to the responsibilities and competencies of a project manager. A lot of job postings are designed for other professions, and there is a lack of research into how many companies use the title "project manager" to attracting potential employees.

The aim of the research study is to analyse postings for the position of a project manager and their content to offer recommendations for correct recruitment of project managers.

This study will answer to the questions – 1) Do the content job postings for the position of a project manager complies with IPMA Individual Competence Baseline 4th Edition?; 2) "Which are the most demand key competencies for project managers in the labour market Latvia?".

The study is conducted using the quantitative and qualitative data obtained in a period of 7 months, between October 2015 and April 2016. 560 postings for the position of a project manager were collected and analysed during the study. The competencies used in the project manager job postings are compared with the competencies from ICB, 4th Edition.

The results of the study show that 25% of the job postings have been correct, i.e., the requirements applicable to and the duties of a project manager have been defined in line with the competencies of a project manager in them.

Most required competencies for project manager are People competencies: self-reflection, self-management and teamwork, and personal communication. In the Practice competency group, the most frequently required competencies are: organization and information, plan and control, and goals, objectives and benefits.

On the basis of the analysis of the results, the further development of the project manager's profession and correct job postings creation is presented in conclusions.

Key words: project manager competence, job advertisement, ICB4

JEL code: J24

Introduction

According to the Project Management Institution forecast of the project management industry growth (PMI, 2013), it is expected that between 2010 and 2020, 15.7 million new project management roles will be created globally across seven projects-intensive industries. Along with the job growth, there will be a significant increase in the economic footprint of the profession (PMI, 2013). The survey of Ministry of Economics of Latvia points out that project manager will be one of the most demanded professions in future. (Ministry of Economics, 2014).

State Employment Agency overview of the employment situation shows that vacancy of project manager is one of TOP 10 most demanded highly qualified vacancies in Latvia. (Maskalovs A., 2016) The project manager's job is one of most challenging jobs in any organization, because it requires broad understanding of the various areas that must be coordinated and requires strong interpersonal skills. (Ashan K. et.al, 2013)



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Recruiting the "right" project manager is an important challenge for organizations and still is an important organizational imperative. (Ashan K. et.al, 2013) Recruitment for project management is the same as for other business sectors. The objective is to find the right person at the right time with the requisite blend of education, skills, experience and personality for the job. (Scott L, 2013)

There is a lack of research on which recruitment messages are used to attract potential project managers and whether these signals reflect to project manager's competency guidelines from professional bodies. International Project Management Association (IPMA) on October 2015, presented IPMA Individual Competence Baseline for project, program and portfolio management, fourth edition (ICB4). The ICB4 is a global standard that defines the competences required by individuals working in the fields of project, programme and portfolio management. The competencies of project management are created as Eye of Competence and organized in three competence groups: people, practice and perspective competences.

In this study authors examine the recruitment of project managers in Latvia from job postings, and address how organizations understand the project manager's role. The competencies used in project manager job postings are compared with the competencies from ICB4. The study is done using quantitative and qualitative data analysis in a 7 months period: from October 2015 till April 2016.

This study addresses the following questions: 1) Do the content job postings for the position of a project manager complies with IPMA Individual Competence Baseline 4th Edition? 2) "Which are the most demand key competencies for project managers in the labour market Latvia?"

Theoretical background

Organizations define more their activities as projects, the demand for project managers grows, and there is an increasing interest in project management competencies and in standards for assessment, development, and certification in these competencies. (Crawford L., 2005)

Two prime Project management Professional organizations, the International Project Management association (IPMA) have developed the IPMA Competence Baseline (ICB4)cand Project management Institute (PMI) have developed The Project Manager Competency Development (PMCDF) framework. The ICB4 components (people, practice and perspective) and the PCMDF components (knowledge, performance, personal) are structurally similar. In this study are used ICB4, because it is available free of charge for wider audience and oriented more on individual competences.

The ICB4 (2015) takes the *Eye of the Competence* into next generation, with a redefinition of the competence elements required by the modern project manager. 29 competence elements are organised in three competency groups:

- **People competence:** self-reflection and self-management; personal integrity and reliability; personal communication; relations and engagement; leadership; teamwork; conflict and crisis; resourcefulness; negotiation; results orientation.
- **Practice competence:** project design; goals, objectives, and benefits; scope; time; organisation and information; quality; finance; resources; procurement; plan and control; risk and opportunity; stakeholders; change and transformation; select and balance.
- *Perspective competence:* strategy; governance, structures and processes; compliance, standards and regulations; the informal power and interest; the culture and values.



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The previous version of ICB4 was ICB3, which is used for different researches. Nahod M. et.al. (2013) research provides concrete evidence that the influence of ICB effect 3.0 competences can be linked to project success.

Competency modelling is an important method used to examine job-related information and employee skills in the management of employees. The principle of competency evaluation is that competencies have to fit the required characteristics and the job. (Liikamaa K., 2015)

A lot of literature focuses on project manager technical skills (Hyvari I., 2006; Brown K, 2000; Pinto J. & Kharbanda O., 1995). Continuous development of project management discipline and researches find out that interpersonal skills are more important to project success than technical skills. Turner and Müller (2006) reported that traditional project manager skills are basically entry level skills and do not as often lead to successful project outcomes as do interpersonal skills. In the similar research, which was done in New Zeeland, results show that in job advertisements for project managers soft skills and competencies are emphasized. (Ahsan K. et.al.,2013)

Research in 107 companies (Springer, 2013) shows that 85% of the behaviours of the top researched companies believe qualitative behaviours are at least as important as quantitative. The main qualitative behaviours include leadership, communication, personal effectiveness.

Chipulu et.al (2013) found that industry puts more weight on generic skills than on project management knowledge. This we may apply to labour market in Latvia when looking at Classification of Professions.

In Latvia, the principal qualification requirements for each profession and the key professional functions are defined in the Classification of Professions. The following positions are included with regard to project management: Project Manager/Director, Project Manager Assistant, Project Coordinator, Planner of Advertising and Marketing Projects, Construction Project Manager Assistant, IT Project Manager, Financial Product Development Project Manager, Credit Project Manager, Payment Card Project Manager and Study Project Manager (Ministry of Welfare, 2016)

Project manager competence is proven through certification. According to Creasy T. and Vittal S. (2013), as more project managers get certified and enter the field, we can be confident that the technical skills will be addressed. Certifications could be focused on processes and individual project manager's competencies. The second approach verify soft skills or competencies from ICB4 people competency group. Of course, a certificate cannot guarantee an individual's success, but it certainly is a significant indicator and tool for differentiation.

Certification by international organizations transfers positive, tested knowledge and experiences gathered across the world into the everyday business processes of project managers. (Uhlir Z., 2013) Furthermore, through their positive action, project managers transfer their knowledge and skills to their work environment, thus forming the preconditions for quality improvement in project management in general.

Research Method

This study utilizes qualitative and quantitative techniques in an integrated manner.

The selection of the job postings lasted for 7 months, between October 2015 and April 2016. Once every seven days, the keywords "project manager" were used to screen the new, unique posting on www.visidarbi.lv. Visidarbi.lv was chosen because it is a leading job search engine in Latvia with a single pool of all job offers in Latvia.



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The analysis of the job postings was performed in 3 stages:

Stage 1: Exclusion of duplicate postings. Duplications occur on www.visidarbi.lv because:

- The postings are pooled from various sources
- The validity periods of postings are extended

Stage 2: Creation of a database of job postings according to Table 1 and analysis of the general information.

Database matrix for postings for the position of a project manager

Table 1

No.	20
Job title	Project Manager
Name of Employer	ABC Ltd.
Location	Riga
Sector	IT, trade, services, construction,
	production, EU funds
Public/private/association	Private
Requirements, obligations	Computer skills, accuracy, sense of
	responsibility, time management skills
Experience in project management	Yes/No
Project Manager certificate	Yes/No
Education	Yes/No
Language	LV, ENG, RUS
Motivating factors	Social guarantees,

The database includes all postings with the job title "project manager". The job title was copied exactly as written in the job posting to be able to determine the number of job titles not matching the titles of project manager jobs included in the Classification of Professions during the study. The postings were classified as follows:

- *Non-corresponding postings* those in which the job title does not correspond to any of those included in the Classification of Professions, and the key professional functions include those of other specialists.
- Partly corresponding postings those with a content corresponding to the key professional functions of a project manager, but with a non-corresponding job title.
- *Corresponding postings* those in which the job title and the functions correspond to the key professional functions of a project manager.

Stage 3: Analysis of the competencies of a project manager in order to find out what competencies of a project manager have the highest demand in the labour market. The competences from the people competence group and the practice competence group according to ICB4 (2015) were analysed in the job postings. The perspective competency group competencies are not included in the analysis because they occur in job postings very rarely and are more frequently used on the level of project programmes and portfolios.

The knowledge and skills included in the postings were grouped by the competencies. Microsoft Excel and Microsoft Access were used for the collection and analysis of the selected data.

Results of Analysis

560 job postings were selected and the Stage 1 analysis was performed between October 2015 and 30 April 2016, and, as a result, 352 postings were confirmed to be valid in the Stage 2 analysis.



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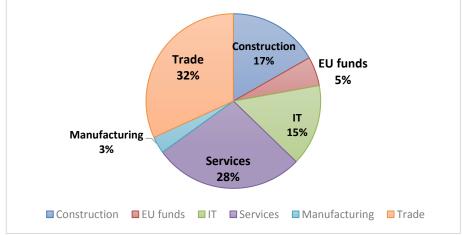
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It was concluded after the **Stage 1 analysis** that companies requiring a project manager look for the employee in more than one job search portal in order to cover the widest possible range of potential job-seekers. The authors found out that the companies which use the possibility to publish their vacancies in several job searching portals are large and publicly well-known companies, such as, JSC Lattelecom, JSC G4S Latvija, PICHE, Ltd., JSC UPB, which have larger budgets for personnel recruitment.

A conclusion was drawn during the Stage 1 analysis that one of the most frequent reasons for job posting validity period extensions is the content of the posting, which is either too general or includes over-complicated definitions of the requirements.

352 unique job postings were selected **in the Stage 2 analysis**. Monthly averages of 50 job postings for project manager vacancies have been published in Latvia between October 2015 and 30 April 2016.

The largest numbers of postings for the position of a project manager have been in the trade, service and construction sectors (see Figure 1).



Source: author's construction based on research

Fig. 1. Distribution of Job Postings by Sectors

In the descriptions of the potential locations of the places of work of project managers, 90% of the project manager vacancies were offered in Riga, and only 10% of them were outside Riga. This suggests that a project manager has more career opportunities in Riga.

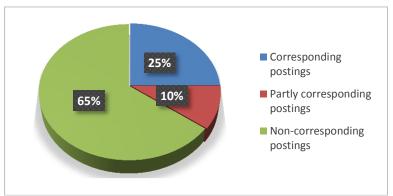
The job postings were analysed by sectors as well. The private sector includes commercial undertakings, farms and societies, whereas the public sector includes state and municipal institutions. 87% of all job postings have been published in the private sector, and 13% of them have been in the public sector.

The corresponding, partly corresponding and non-corresponding postings were selected during the second stage of the analysis. Figure 2 shows that only one quarter or 25% of all postings corresponded to the key professional functions of a project manager.



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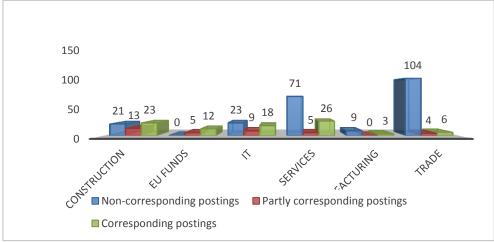


Source: author's construction based on research

Fig. 2. Correspondence of Job Postings to the Key Professional Functions of a Project Manager

Employers have different interpretations of the key professional functions of a project manager and lack proper understanding of what the job duties of a project manager would be. The job title "project manager" is used to have an attractive title for the position, but, in fact, the professional functions appear to match those typical of some other profession. In the non-corresponding postings, the duties most frequently specified for a project manager include attraction of new clients, selling of a product or service, conduct of price surveys and preparation of quotes, maintenance of a website, commissioning of buildings, translation/interpretation, and performance of annual audits.

The non-corresponding job postings include such job titles as a trade project manager or sales project manager. These job titles have been created within a sectoral context because the largest amounts of non-corresponding job postings appear to be in the trade sector (46% or 104 of all the postings) and the services sector (31% or 74 of all the postings) (see Figure 3).



Source: author's construction based on research

Fig. 3. Sectors of Postings for Project Manager Vacancies by Types of Postings

<u>In the partly corresponding</u> postings, which represent 10% of all the postings in the research study period, the title of the position of a project manager has not been defined according to the job titles included in the Classification of Professions of the Republic of Latvia. The non-corresponding job titles include lease project manager, occupational health and safety



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project manager, procurement project manager, integrated communication project manager, real property project manager, public relations project manager, marketing project manager, and construction project manager. When comparing the job titles "marketing specialist" and "marketing project manager", the potential employee might find the position of a project manager more attractive.

The range of jobs offered in the labour market is indicative of the necessity to revise the Classification of Professions and, provided that professional functions of a project manager are adequate, include new job titles in various sectors. The existence of inadequate job titles for a project manager also suggests that employers do not always respect the information provided in the Classification of Professions and create job titles creatively to attract larger numbers of potential employees.

No previous experience in project management is required in 67% of the non-corresponding or partly corresponding job postings. This requirement is included in only 33% of the postings. Based on the analysis of the content of the postings, a conclusion has been drawn that previous experience in selling products and services as well as in the attraction of new clients has been required in the non-corresponding and partly corresponding job postings.

In the non-corresponding and partly corresponding job postings, the duties specified for a project manager include attraction of new clients, selling of a product or service, maintenance of a website, commissioning of buildings, translation/interpretation, conduct of price surveys, preparation of quotes, performance of annual audits, or similar.

Knowledge of Latvian, English and Russian is required in 78% of the non-corresponding and partly corresponding job postings. Knowledge of Latvian and Russian is required in 10% of the postings, and this is typical specifically in the postings associated with trade and service sectors.

<u>In the corresponding postings</u>, the job title is stated according to what appears in the Classification of Professions, i.e., "project manager", and the content of the posting includes the key professional functions of a project manager.

As can be seen in Figure 3, the highest amounts of corresponding job postings have been in the services sector (30% or 26 job postings), the construction sector (26% or 23 job postings), and the IT sector (20% or 18 job postings).

Requirement for previous job experience prevails in the corresponding postings, i.e., experience in project management has been required in 74% of the job postings, with 26% of the postings being without a requirement for previous job experience. This suggests that job experience of a project manager is highly essential, as a project manager having it would be able to deal with any issues associated with project management more efficiently.

The requirements for the length of experience could not be identified in the analysis because job experience occurred as a general requirement in most of the postings. Project managers are required to have knowledge of Latvian, English and Russian in 82% of the job postings, and knowledge of Latvian and English is required in 11% of the postings. Knowledge of Latvian and Russian has not been required in the corresponding job postings, and this opposite to what can be seen in the non-corresponding postings, because knowledge of Russian is essential particularly in the trade and services sectors. Knowledge of other languages, such as German, Italian, Danish, Norwegian, Swedish, was required in 2% of the corresponding job postings. These requirements are set for project managers to be employed in international



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projects with affiliated companies or cooperation partners, in order to assure quality communication without intermediaries.

One of the independent documents confirming the professionalism of a project manager is the project manager certificate. The analysis shows that the project manager certificate has been required in only 2 job postings in the entire period of the research study. The results show that the importance of certification of project managers is not acknowledged or appreciated by employers. Specific IT or construction certificates have been required in some of the job postings.

In the corresponding job postings, the most frequently required project manager competencies were evaluated for compliance with the People and Practice competency group in the ICB4.

As can be seen in Figure 4, employers have required project managers to have teamwork competency most frequently (in 85% of the job postings) in the People competency group, appearing in the job postings as ability to organise project processes, ability to maintain and establish teamwork. The second most frequently required competency is self-reflection and self-management, required in 82% of the job postings. Within this competency, employers have most frequently required ability to manage own working time, ability to work independently and set and perform work tasks. The third competency is personal communication, required in 55% of the job postings. This most frequently appears as excellent communication skills, ability to maintain good contact, management of conversation. The TOP 5 of the People competency group includes results orientation (33%) and relations and engagement (27%).

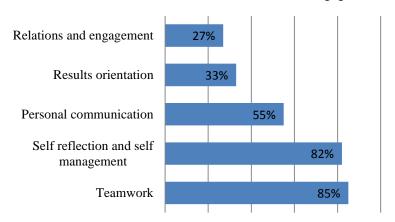


Fig. 4. TOP 5 People Competencies in Project Manager Job Postings

As can be seen in Figure 5, the most frequently required competency in the Practice group is organisation and information, included in 34% of the job postings. Organisation skills, presentation of information and cooperation with the parties involved are required as part of this competency. The second most frequently competency is plan and control, which has been included in 31% of the job postings, and, within it, employers have required planning and supervision skills, monitoring of targets, preparation of overviews, and reporting on the work. The third most frequently competency (in 16% of the job postings) is goals, objectives and benefits, and, within it, employers have indicated the skills of stating and analysing objectives/targets and setting priorities. The most frequently required competencies also include project design (15%) and finance, resources, procurement (13%).



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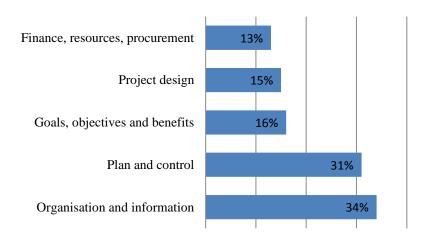


Fig. 5. TOP 5 Practice Competencies in Project Manager Job Postings

A comparison of the competencies required in the corresponding job postings shows that those of the People group have been required most often, and this suggests that the personal qualities of the project manager are more important for the employer than the competences of the practical competence group.

Conclusions

- As an answer to the first research question, it has been concluded that the content of job
 postings for the position of a project manager complies with the IPMA ICB4 in only
 25% of all cases. This suggests that employers have poor understanding of the
 responsibilities and job duties of a project manager, and, for job-seekers, the
 environment of job postings creates a wrong perception of their future job as a project
 manager.
- 2. To answer the second research question, it has been concluded that the competences with the highest demand in the People Competence group are teamwork, self-reflection and self-management, personal communication, whereas the competences with the highest demand in the Practice Competence group are organization and information, plan and control, goals, objectives and benefits.
- 3. In the development of the competences of a project manager, more emphasis should be put specifically on the soft competencies or, according to the IPMA ICB4, the people competencies, which employers in Latvia require more frequently than the practice competencies.
- 4. The levels of being informed about and the understanding of the necessity for certification of project managers are critically low among employers. Understanding the significance of certification and having it included as a requirement for the potential project managers would increase the prestige of the profession and, at the same time, facilitate the process of evaluation of the practical competencies of a project manager.
- 5. The analysis of the job postings shows that there are much more types of project managers required in various sectors of the labour market than the Classification of Professions provides. A substantial analysis of the positions in demand should be



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- carried out in collaboration with the professional associations in various sectors to widen the range of occupations available in project management, especially in the sectors in which increases are expected according to The Informative Report on the Medium- and Long-term Labour Market Estimates.
- 6. The professional project management associations should organize information events and educate employers as well as recruitment companies regarding the position of a project manager job. The authors have created a list of competencies to help recruitment companies as well as individuals determine whether the position of the potential employee is a project manager.
- 7. Requirement for previous experience are one of the indicators which shows that job postings are corresponding. Irrespective of the amount of previous experience, a decisive factor for a correct job posting would be experience particularly in project management, and no other fields like sales, customer service or similar.
- 8. Requirement No.7 for previous experience is suggestive of a correct job posting. Irrespective of the amount of previous experience, a decisive factor for a correct job posting would be experience particularly in project management, and not in sales, customer service or similar.

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