# Management by Competencies

>> Practical example

# Previously on MbC



REQUIREMENTS

POSSIBILITIES

value claiming

**Competition**
Me>0, You<0

egoism

**Cooperation**
Me>0, You>0

DYNAMICS

STABILITY

pression

EFFECTIVITY

USEFULNESS

ruction
You<0

Resources

Money

Clients
Customers

**Qualities**
(the way we are)

Person
(human resources bearer)

**Abilities**
(what we know and can do)

**Attitudes**
(what we want, what we believe in)

Inte
grati
on
Passivity
Me=0,

Syner
getiza
tion

Habilitati
on

Motivation

Orientation

Definition

HUMAN
LABOR

HUM
RESO

Synergy

Activity

Order

Trust

# Agenda

▸ Nature of Processes in Startup Company
- ◦ Processes classification
- ◦ Sustainable Development

▸ Paraprocesses

▸ Metaprocesses

▸ Organization Structure

▸ Management Tools

# Nature of Processes in Mycroft Mind

# Project Categories

| **Technology** | • research & development<br>• 1 project |
|---|---|
| **Application** | • application and solution development<br>• 3 projects |
| **Proof-of-Concept** | • sales support by illustration what CEP technology application may bring to the prospect |
| **Flow** | • methodology development<br>• 9 projects |
| **Business** | • market research, marketing and sales<br>• 1 project |
| **Organization** | • leadership and management<br>• 2 projects |

Ortoprocesses    Paraprocesses    Metaprocesses

# Focus of this lecture

Nature of Processes in M...
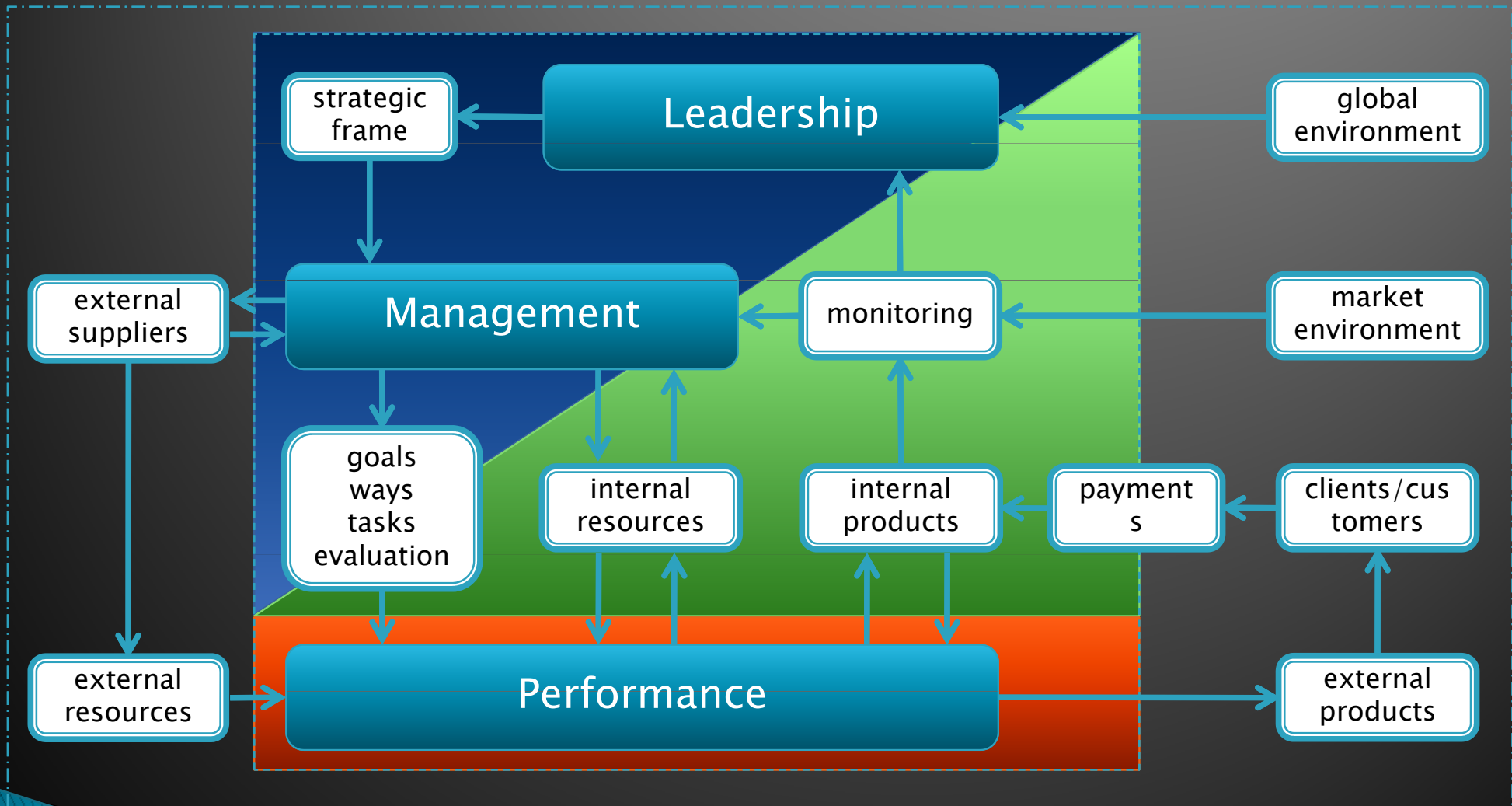
# In the beggining...

In the spring of 2007, *Mycroft Mind*, a technology *start-up,* was launched
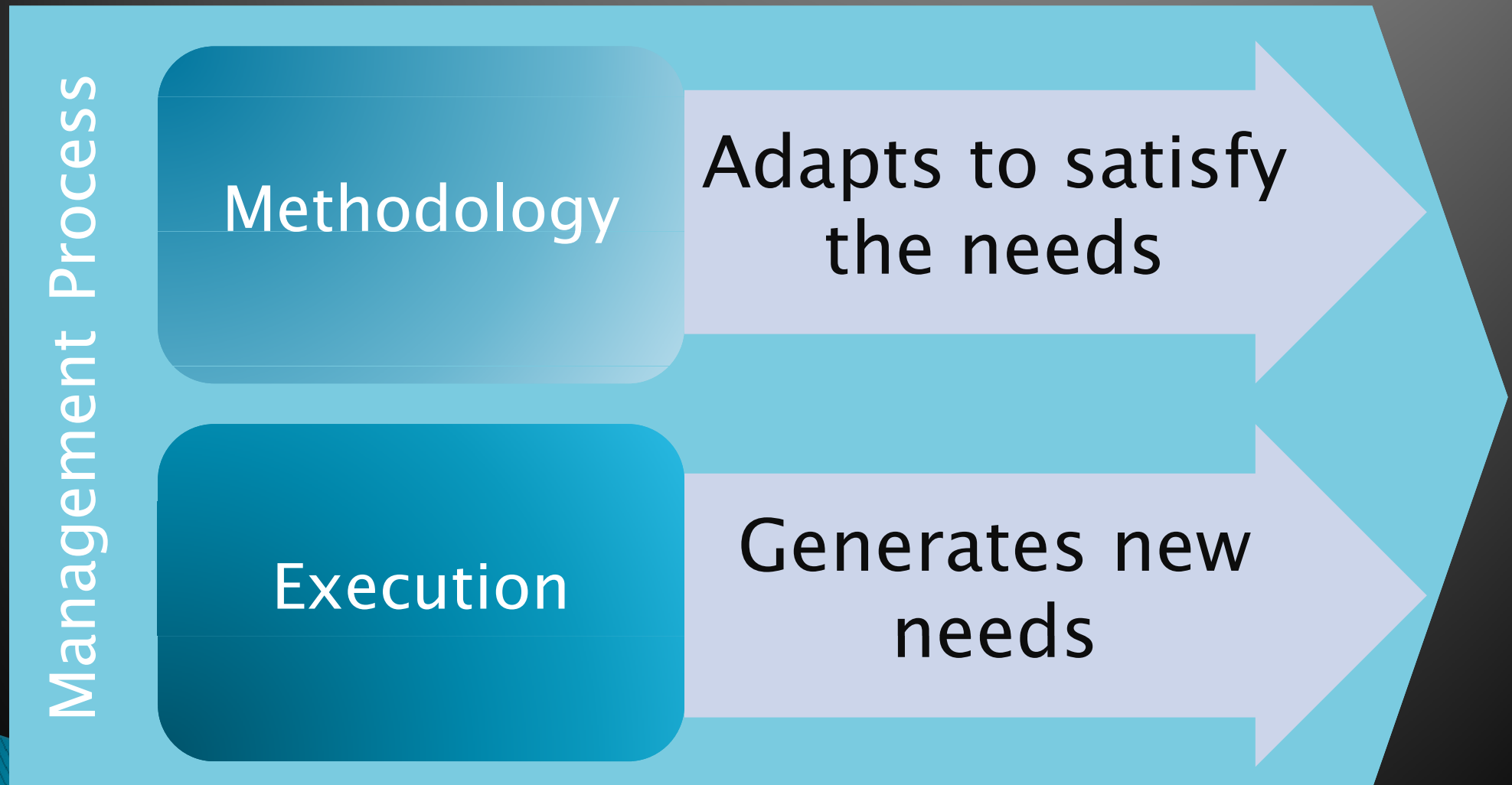
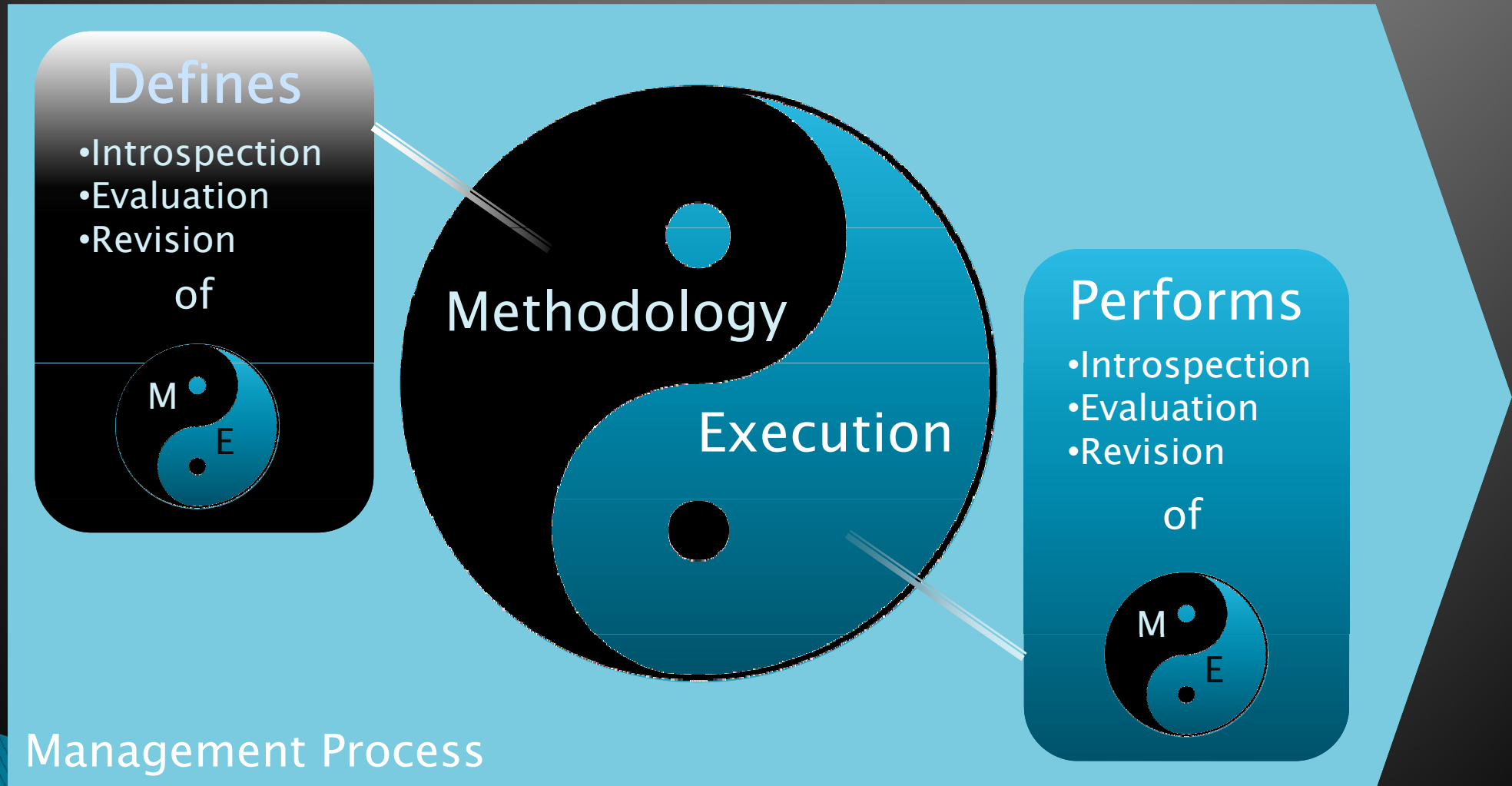There was *lack of time* and *resources* to set up all meta-processes

All we wanted was to only ensure *sustainability of management process development*

# Management Process Development

Management Process

**Methodology** — Adapts to satisfy the needs

**Execution** — Generates new needs

# Sustainability of Management Process Development

Defines
- Introspection
- Evaluation
- Revision

of

M
E

Methodology

Execution

Performs
- Introspection
- Evaluation
- Revision

of

M
E

Management Process

# Concept of Flow

## Flow

- project **activity categorization** focusing activities from the point of their primary aim by following categories:
  - R – Research
  - S – Specification
  - I – Implementation
  - T – Testing
  - P – Production
  - O – Organization
  - B – Business
  - E – Education

# Origin of the Flow name

- Sequence of activities focused by certain categories in times represents flow
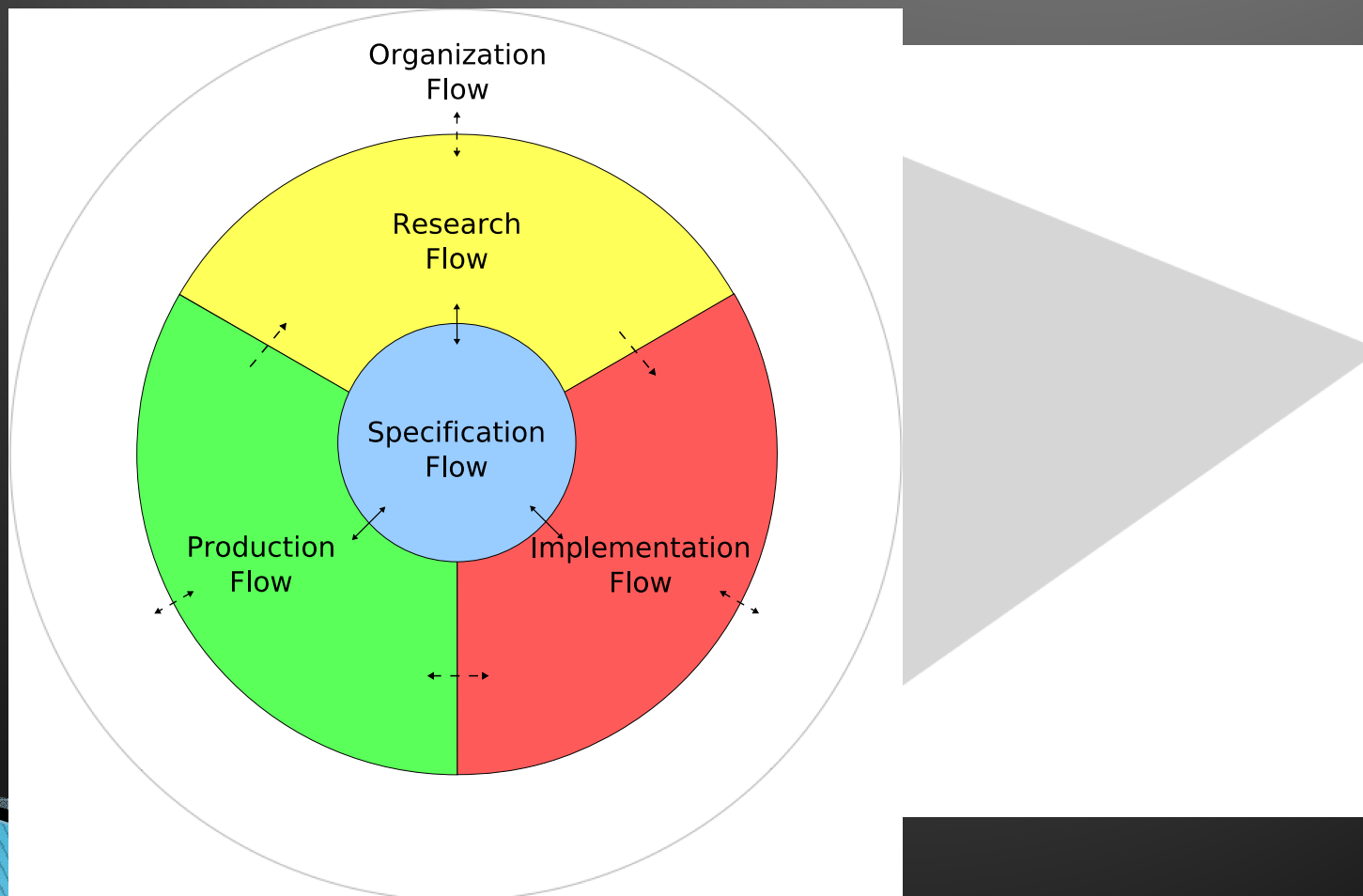
# Flow projects derivation

## Activity Categories

| | | Flow Projects |
|---|---|---|
| Research | → | R–FLOW |
| Specification | → | S–FLOW |
| Implementation | → | I–FLOW |
| Testing | → | T–FLOW |
| Production | → | P–FLOW |
| Organization | → | O–FLOW |
| Business | → | B–FLOW |
| Education | → | E–FLOW |

Provide methodological and environmental support for tasks of respective kind

Consequently, evaluate and improve the effectiveness of entire program

# Flow projects

- Are *executed* in accordance with the *methodology*
- Change the *methodology* in accordance with the needs and requirements emerging in the execution of all projects
- Distributively and regularly perform introspection, evaluations and revision, i.e. feedbacks and feedforwards
- Pay attention to flow of activities in systematic and proactive way!
  - the attention is universally measured by attention function

# Attention Function

▸ uniform way of valuation of all activities, events and situations is required in respect of attention which is demanded to accomplish or solve the valuated entities

▸ attention

- is mental energy, which single person is able to expend within certain time interval for certain purpose labor input on project activity
- is measured as amount of attention, which is required to be expended to accomplish the given activity

# Why attention?

▸ attention is not strictly bound to the working hours and thus to the capacity of working days

▸ character of many activities being undertaken is also hard to bound to the working hours

▸ when the attention is measured, the mental effort is taken into account rather then only time which can be effectively wasted

# Attention Function Definition

- Valuation of an activity A by attention is structured by:
  - people, whose attention have been or will be expended to accomplish the activity A → **work group**
  - for every member of work group M is determined the following:
    - **time** that M spent or will spend by paying attention to activity A
    - **role** in which M participate on activity A
- Roles and its credit valuation for an activity A:
  - **author** – 6 points/day spent on the activity A
  - **coworker** – 4 point/day spent on the activity A
  - **onlooker** – 0 points/day spent on the activity A
  - **opponent** – 1/4 of sum of all point valuation of author and all coworkers assigned to the activity A

# Attention Function Utilizations

- Motivating aspects
- Aspect of team self-regulation
- Project valuation

# Conceptual Overview

**Project Categories**

- Technology
- Application
- Proof-of-Concept
- Business
- Organization
- Flow

**Activity Categories**

- Research
- Specification
- Implementation
- Testing
- Production
- Organization
- Business
- Education

**Attention Function**

- Evaluates each task and assigned team member by defined amount of credit
- Universal measure to every undertaken activity

**Attention Flows**

- Long term focus of attention on domains derived from *task categories*
- Implemented as a project of *flow category*

Nature of Processes in M

# Paraprocesses in Mycroft Mind

- Administrative processes
  - see examples in an extra mind map
- Development, Grow & Educational paraprocesses are realized through flow projects
- Special flow project HFLOW dealing with Human Resources Management

# HFLOW project objectives

- Coordinates other flow projects
  - alignment with the current strategy
  - reflection of forthcoming requirements
  - discussion
- Performs short-term evaluations
  - discussion on written evaluations by managers
  - produces suggestion for promotion, extraordinary incentives, ...
- Coordinates long-term evaluations
  - personal interviews
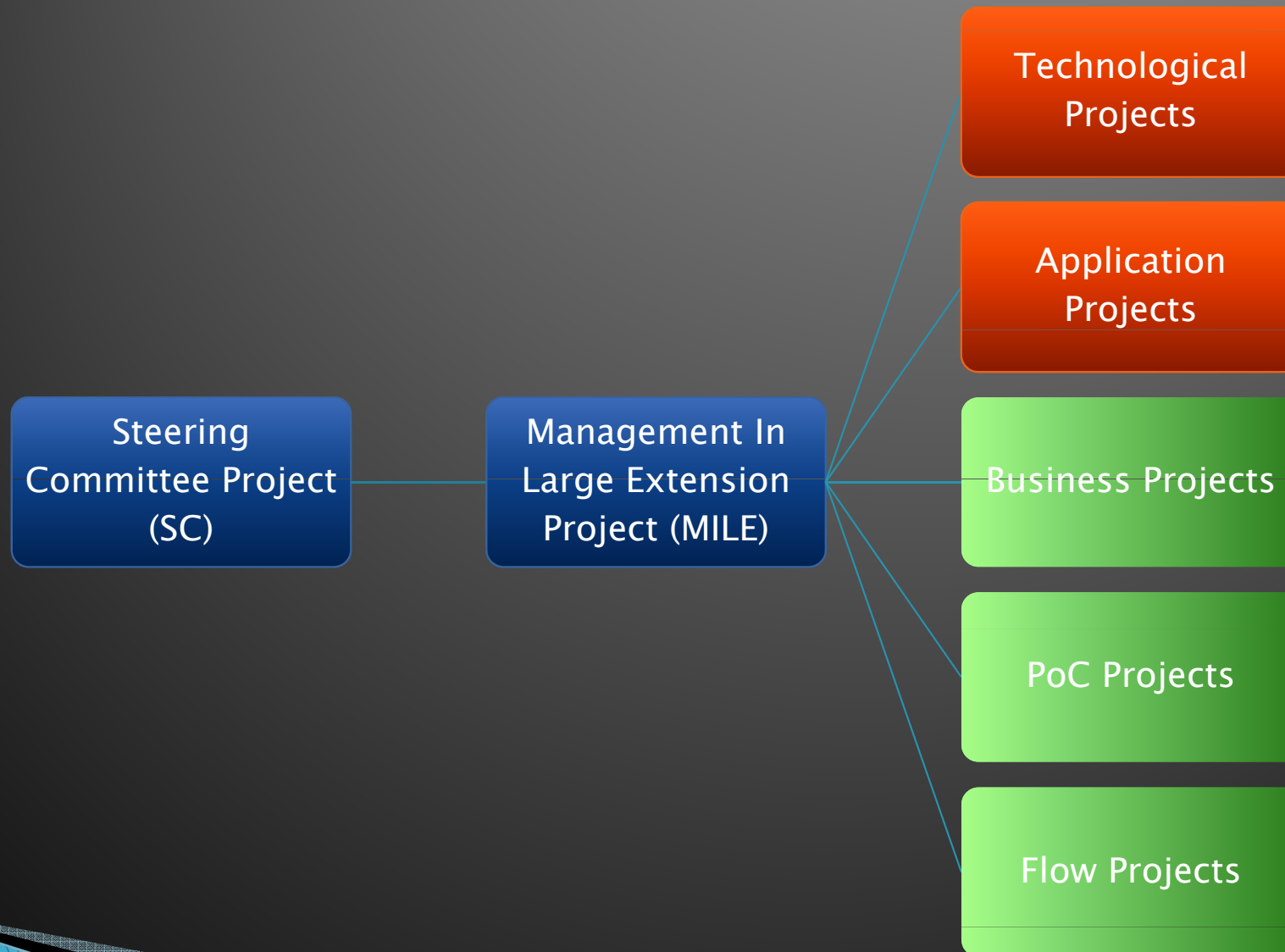- Collects all information related to acquisition

# Metaprocesses in Mycroft Mind

- Principles
  - Two-level management principle utilization
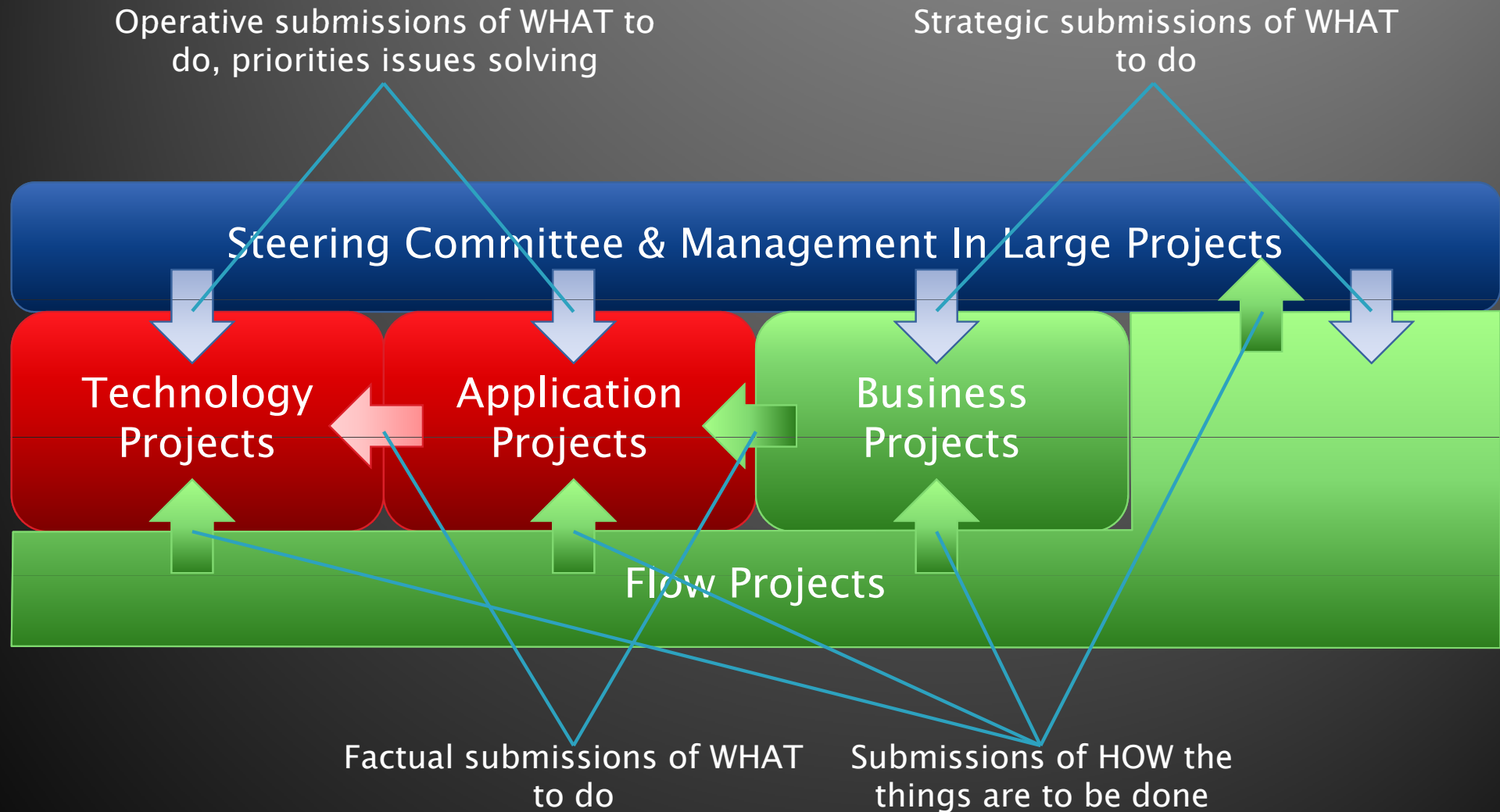  - Mills principle application
- Metaprocesses
  - Steering Committee Project (SC)
  - Management In Large Extension (MILE)
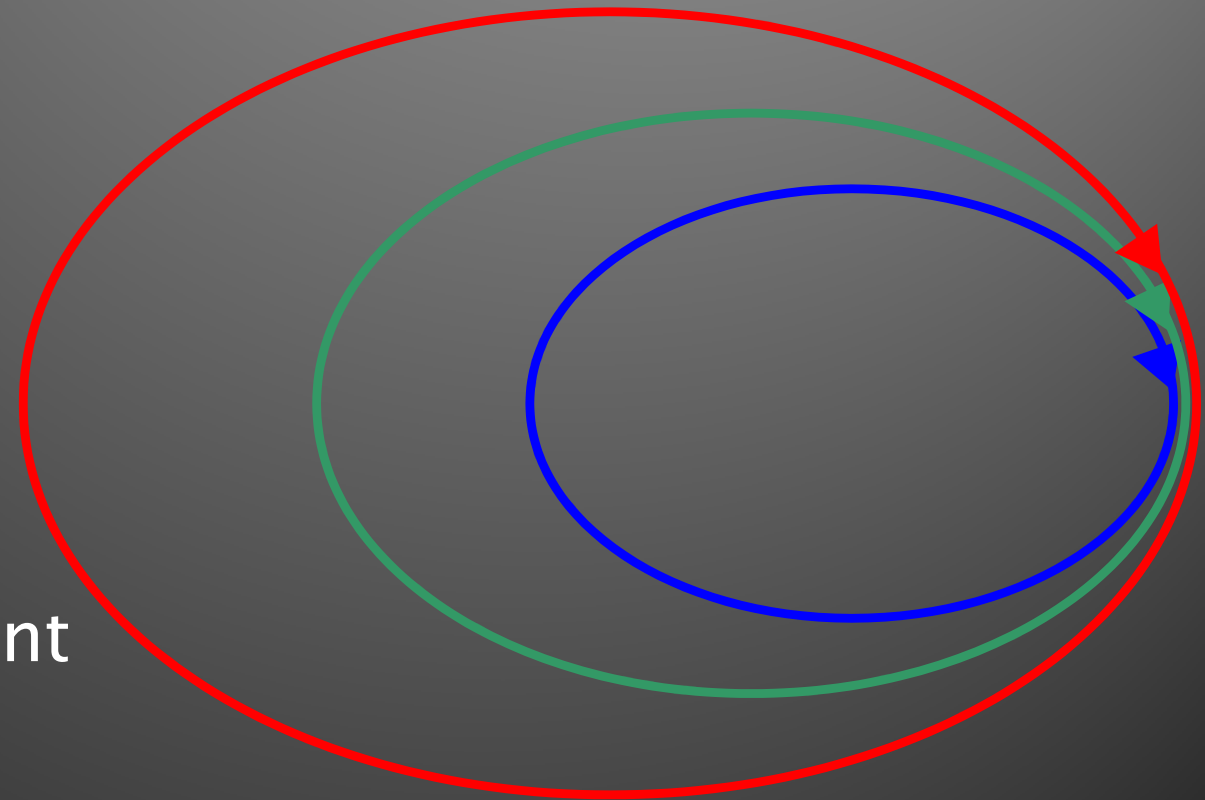    - Forming In Large Extension (FILE)

# Two-level management structure – Executive Structure

```
Technological
Projects

Application
Projects

Steering                  Management In
Committee Project   ———  Large Extension  ———  Business Projects
(SC)                       Project (MILE)

PoC Projects

Flow Projects
```

# Project Program Scheme

Operative submissions of WHAT to do, priorities issues solving

Strategic submissions of WHAT to do

Steering Committee & Management In Large Projects

Technology Projects

Application Projects

Business Projects

Flow Projects

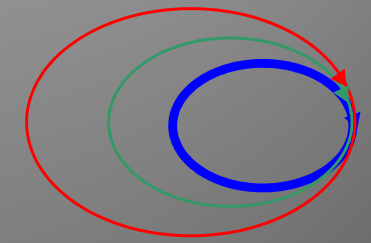Factual submissions of WHAT to do

Submissions of HOW the things are to be done

# Mills Principle ~ Project Program/Portfolio Management

- Project Mill
  - daily management
- MILE Mill
  - interprojects influences
- SC Mill
  - Strategic Frame for projects

# Project Mill

- Each project runs its own project mill
- Deals with project management
  - progress of the project
  - quality of outputs
  - project risks
  - changes of all aforementioned
- All to satisfy the triple-constraint of the project!

Technological Projects

Application Projects
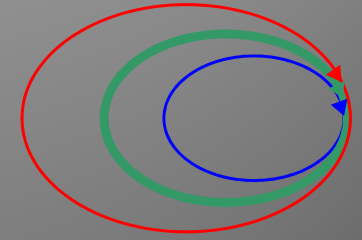
Business Projects

PoC Projects

Flow Projects

# MILE Mill

Focuses on interactions of projects.
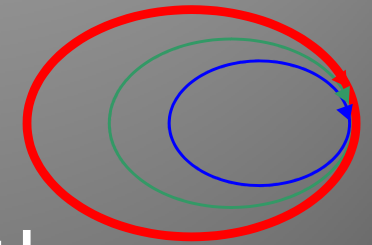
Deals with management of

- allocation and re-allocation of shared resources
  - human, material and financial
- products
  - factual project relations
- time/attention
  - attention distribution among projects in time

All to make project program execution as effective as possible!

# SC Mill

Defines strategic frame, i.e. frame for other projects.

Deals with management of:

◦ alignment of project objectives with the current strategy

◦ project priorities in respect of the current strategy

All to achieve strategic goals of organization!

# Mills in action ~ Organization Rhythm

- Iterations ~ Quarters
- Phases ~ Two weeks
- Forming seminars, weeks and days
  - forming in large extent (FILE)
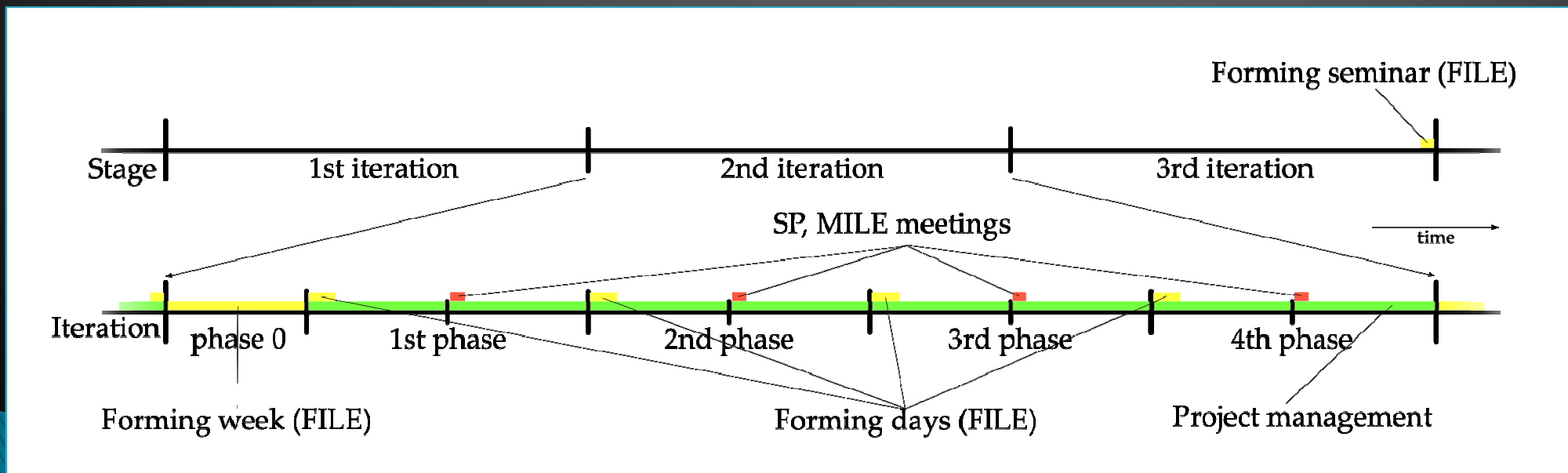
# Human Resources Management: Motivation

- Human Resources are one of the most expensive ones
  - the appropriate care has to be taken
- Strategic Level
  - development of ideas of future company business has to be complemented by development of ideas of future human resources that it will need to have at disposal
- Operational Level
  - current ideas and wishes of current staff have to be perceived, reflected and influenced to shape that correspond to what company can both offer and expect

# How did HRM start in Mycroft Mind?

- In 2007–2009 there was no special need to systemize HRM processes
  - there was almost no fluctuation
  - people were motivated by the shared vision and goals
- In the beginning of 2010, the failure of one of the main project and the fundamental strategy change led to
  - demotivation of the project team that was not treated properly
  - gradual leaves of project team members
  - team coherence disruption
- In spring 2010, the HRM, especially its recruitment part, became a main constraint to Mycroft Mind
  - there was serious lack of people able and willing to work with newly adopted Complex Event Processing technology
- HRM process were designed, implemented, and systematically executed to address this issue
  - since then we learnt a lot and still we have a lot to learn

# HRM Processes

## Strategic

- HR planning
- acquisition of HR
- long-term evaluation of HR performance and potential

## Operational

- HR monitoring
- short-term evaluation of HR
- attitudes influencing – orientation and motivation
- extraordinary HR evaluation

# Example description: Attitudes influencing

## Aim
- to prevent negative attitudes to be developed by individuals or groups

## Inputs
- defined strategic frame and current strategy
- identified negative stances

## Means
- explicit–open – interview to discuss the negative feelings and stances
- implicit–hidden – change of tasks or its submission form

## Outputs
- negative stances are continuously eliminated
- oriented and motivated team
- management shares the causes

## Who, When, Where
- all managers
- anytime and anywhere, when and where it is appropriate

# HRM Process Structure