



During the last decades the HR function has developed remarkably. During the 1970s the former focus on administrative tasks shifted towards a focus on employees. Consequently, HR development became more important. Since the 1990s HR has been focusing more on strategic engagement in business practices. This development can also be underlined by our research in the CEE region.



Aside from HR expertise, the basis of HR work is a deep understanding of business practises. In our model we call

this competence **BUSINESS KNOWLEDGE**. This competence focuses on the ability to understand and apply information, resources, customer needs, and processes in HR in order to make sound business decisions. It follows the claim that HRM needs to demonstrate its contribution to organisational effectiveness. This can only be achieved efficiently if HRM keeps in mind the business environment and performs well in terms of improving productivity, creating positive social outcomes, and increasing overall organisational turnover.

PARTNER





LEADERSHIP COMPETENCE describes the ability to apply leadership competences in order to successfully realise corporate strategies. The focus on business strategy has become possible due to technological change, globalisation, and market segmentation. Nevertheless, leadership is not just an individual phenomenon; it is rather a complex process that encompasses interaction between the leader, the social, and the organisational environment. As a consequence, human resource policies and practices have to be both dynamic and innovative, using e.g. appraisal, merit pay, briefings, and direct communication.



CHANGE COMPETENCE encompasses the ability to manage, lead, and enable the process of change and transition, while helping others deal with the effects. Companies have to be interested in securing a competitive advantage through innovative change sources. HRM should always be at the lead of planning and implementing organisational change. Therefore, the successful implementation of change presents HRM with the major challenge of actively addressing issues of resistance, behaviour change, and participation. Such implementation should pay particular attention to the management of ambiguities, irrationalities, and emotions that usually accompany organisational change.



RELATIONSHIP MANAGEMENT COMPETENCE summarises the ability to cultivate effective relationships to create a corporate culture that promotes the department's and organisation's goals and strategy. Therefore, HRM should facilitate employee participation and attach value to the direct communication with employees. One of the main objectives of sustainable HRM is helping employees build relationships throughout the organisation and exchange both knowledge and experience.



CONSULTATION COMPETENCE is defined as the ability to provide guidance to organisational stakeholders. It thus reflects the increasing involvement of line managers in HRM; said increase has been notable since the early 1990s. As this development comes hand in hand with changing roles for line managers and HR managers, facilitating the partnership of these functions is a crucial task of HR.



ETHICAL COMPETENCE focuses on the ability to integrate core values, integrity, and accountability into all organisational and business practices. As increased global and local business competition, rapid technological change, shifting labour markets, and demographic factors lead to increasing work intensification as well as employment insecurity, written ethical HR policies are in particularly great demand.



DIVERSITY COMPETENCE comprises the ability of HR workers to value and consider the perspectives and backgrounds of all parties. If managed well, diversity is claimed to contribute to organisational efficiency and effectiveness. In this regard, HRM can play a major role by addressing inequality in recruitment, appraisal, advancement, and rewarding to enhance the output of a diverse workforce.

If you are interested in our research results or exchange on HR competencies, please don't hesitate to contact us: pwoe@fb-wien.ac.at

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