

## **COMPETENCY-BASED APPROACH AS A FACTOR OF A TOURIST ENTERPRISE EFFECTIVE PERSONNEL POLICY**

**Aytan Asker Abasova<sup>\*</sup>, PhD, Associate Professor,  
Kamala Mehti Mamedova<sup>\*\*</sup>, PhD (Economics), Associate Professor,  
Lala Aziz Alekperova<sup>\*\*\*</sup>, Senior Lecturer,  
Azerbaijan University of Architecture and Construction, Baku, Azerbaijan**

*\* ORCID 0000-0003-1633-6257*

*\*\* ORCID 0000-0002-3100-6160*

*\*\*\* ORCID 0000-0002-3898-3941*

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**Introduction.** Business practitioners will gain much more by studying the management models of successful organizations than they will from studying management theory.

It is just as important to have competent management as it is to have trustworthy analytics. The importance of operational efficiency cannot be overstated. However, it should now be viewed as a crucial component of the overall approach. No other approach will help you if you do not know how to manage. Furthermore, by sound management, you can add more complex tools (for data analytics, decision support, and internal communication) that are critical for success in high-risk businesses.

Managers frequently underestimate the value of management practices (and the importance of investing in their development), because they believe they are simple to imitate. Leaders must consider strategy, but they should not dismiss the responsibility of establishing management procedures as trivial. The ability to track competitive changes is just as important as the ability to make operational efficiency a permanent part of the business.

**Results.** In today's flat-organization era, everyone must become a strategist as well as a manager. A competent management style improves the quality of work and ensures the strategy's success.

Of course, good governance is not easy to achieve: it necessitates a significant investment in people and systems. Many people are hesitant to implement best practices, because they require costs.

There is probably no human activity in which a theoretical understanding is sufficient to design a device that works in the real world. Any engineer can appreciate how far chemical reaction formulas are from the design of a facility that produces consistent and predictable results. It is a long way from simplistic theoretical models to real-world gadgets. Even the so-called "precise sciences", which have long been accustomed to the use of mathematics and repeatable experiments, are guilty of this.

However, in the "humanities" sciences, the gap between what one expects from one theory and what one gets in practice might be enormous.

It is clear that firm founders, management consultants and management educators are not willing to harm the organization for which they serve. But, in the end, difficulties in business are generated by the leaders themselves. Situations in which management challenges are exacerbated by a desire to adhere to all theoretical formulations and recommendations are particularly telling.

Many "practitioners" have already developed the habit of being skeptical of advice and recommendations, preferring to act on inspiration. This is due to the failures of theorists and consultants in their attempts to start their own companies, as well as the mediocre results of those who try to uncritically rely on management theory in their work. However, history has shown that "common sense" may be just as bad an advisor in the construction industry as management theory separated from reality. Companies with a high number of birth defects are established as a result of implementing the logic of "strict practice". A practical mind, based purely on one's own experience, is frequently insufficient to protect against the most

disastrous results, rather than to entirely eliminate one or more problems. At the same time, the leader's personal traits are continually relied upon, making it impossible to retire from the organization without risking damaging it. Even the most successful entrepreneurs, who have been "relied on their own practice," are unable to develop a business that is not entirely reliant on the creator's efforts.

As a result, such businesses have clearly defined bounds for their own expansion, questionable value for possible third-party buyers (assuming we're talking about the business as a whole, not just the assets), and essentially little chance of surviving if the existing successful leadership is forced to change.

To learn how to overcome such problems, one requires not only a sharp mind and the presence of one's own experience, but also familiarity with the practices of businessmen who have faced comparable challenges and found a way out. There is a need for examples of existing solutions that will actually help solve these issues rather than just prolong the misery before it ends. It is vital to become familiar with the results of the real application of various management models in successful firms, rather than with management theory. Long-lived corporation had to devise a unique solution to the issues that impede consolidation and remote business management. It is hard to build a large firm or a truly sustainable corporation without this.

Of course, it is critical to avoid the trap of "selective citation," in which only those components "that arouse our attention" are examined rather than a holistic model of the company's operation, taking into account its features and obstacles, when analyzing management models of real organizations (and then only in that part, with which we agree). All of this is nothing more than a means to double-check that your own assumptions are right. This is a great way to boost your own self-esteem, but it is not the best approach to really learn something.

**Review of recent research sources and publications.** The expertise and opinions of modern management theorists diverge slightly from the mainstream on the overall – individuals who work for you must be trusted, and the freedom allowed to employees will surely surpass the beneficial influence of the order of forced influence from above. The true role of a leader is to build a deserving team, to assist people in reaching their full potential while demonstrating their own leadership skills, and to design work techniques that will reliably protect the company from stagnation and bureaucracy.

All of this is justified by theorists in further detail as follows:

1. Times have changed, and today's workers are frequently more qualified than their employers and immediate superiors in their fields. Under no circumstances will such people accept a harsh leadership attempt.

2. Because the complexity of work has expanded greatly, it is far more beneficial for management to learn to trust people more confidently, enabling them to select the way of completing this or that task rather than trying to comprehend the aspects of this work in all of its nuances.

3. To support the initiative and responsibility of people, it is not enough for them to delegate authority. There is no responsibility without authority.

4. When subordinates decide how to accomplish the work and how the existing resources will be used, they begin to demonstrate initiative, and the best of them will gladly accept final responsibility for the work done. People with this attitude toward work will relieve the manager of the need for constant control, allowing him to focus on strategic activities, which are far more vital to the organization than direct management.

5. Releasing employees from excessive control will inevitably improve not only the company's condition, but also labor productivity and the effectiveness of all operations, because the task is best known by the person who does it.

6. After some time, objective criteria of actual achievements in the workplace (rather than a particular leader's personal bias) will be able to distinguish a group of the best employees. Employees will be able to form a true "team" that will function efficiently without the need for constant supervision from senior management if they are constantly evolving, motivated by interesting assignments, and given authority. The "labor of alone individuals" will be far less effective than such group creation.

7. Employees will be engaged in self-development and improving their professional knowledge since they are directly interested in the results of their own labor and have all of the powers essential for further development. Such self-development will not only lay the groundwork for continual improvement of working practices, but it will also increase the entire team's commitment to the common good, to the organization.

8. The impact of people's creative freedom will be greatest in non-trivial business sectors, such as the invention of new commodities. Such semantic labor is in high demand in today's market, and its

successful execution will inevitably benefit the company's overall financial condition, allowing it to compensate its staff even more generously. Employee benefits combined with more flexibility to express them will have the greatest impact on their motivation to work creatively rather than officially treat their obligations.

9. As employees' self-awareness expands and a full-fledged team of like-minded individuals emerges, top management's administrative functions will become obsolete. Eventually, a situation will emerge in which people and the organization will work together and grow as individuals and as a team. When the labor collective is given the opportunity to become co-owners of the business, the effect of the shared cause is amplified.

10. As a consequence, we have a cohesive team that operates the business collaboratively and responsibly, without the need for a large number of bureaucratic procedures or a full staff of controllers. The communal decision-making process eliminates the company's regular blunders, which can always be committed by a single person. It also gives the entire responsible team a sense of shared interests and direct participation in all decisions. All of this, however, is only possible if "conventional management" habits are abandoned. A business owner must be willing to freely and purposefully delegate some of his or her authority to staff.

This is the journey that theorists have taken in order to arrive at a modern understanding of management pleasure, all while adhering to democratic traditions, hopes, and attitudes. It, on the other hand, never works. To the chagrin of theorists, no one among management practitioners believes as passionately as they do in the magical power of transfer of authority, increased trust, and leadership.

**Problem 1. Delegation does not really work the way theorists expect it to.** To begin with, the illusion of modern workers' automatic competency, which theorists extol, is a fallacy. In actuality, they are unable to organize their job on their own to a satisfactory degree. Any manager who attempts to familiarize himself in detail with how work is actually organized in any of his company's "self-regulating" divisions will quickly be convinced that this is the case. We are not aware of any instances where such visits would have been welcomed by top management. In the best-case scenario, the work will be done to an average, very mediocre standard, and in the worst-case scenario, you will find a large number of redundant workers who cannot even articulate their responsibilities, a distinctly "sleepy" pace of work, and an amazing combination of low quality work and pride in its execution.

Furthermore, because of the games of delegation, any intrusion by top management in the business of the "sovereign" section is regarded as a personal insult by its head. As a result, we have substandard work and emotional reactions to any attempts to figure out how things actually are, rather than a sense of responsibility for the quality of our own job and a desire to accomplish it as efficiently as possible. When top management is required to inspect the work of a particular department, the heads of the departments, to whom all powers have been given, frequently become irritated and slam the door angrily. Rather than always looking for more efficient ways of working, they try to show that everyone they hire is vital and irreplaceable. In actuality, delegation games result in substandard job quality, ineffective workers, full opacity, and emotional outbursts from "approved" staff.

**Problem 2. Delegation is not conducive to establishing communication between departments.** At the level of cooperation between independent departments, there is no idyll. Instead of productive cooperation, you get a light-hearted re-enactment of medieval intrigue and conflict. Each department protects its own zone of influence from its neighbors selflessly, will not allow any criticism in its address, and will even less tolerate checks and attempts to implement reforms "above its head". All of these fights and never-ending intrigues take a lot more energy than actual labor.

When all of these problematic relationships are added to the geographic distance between the company's divisions and the core, feudal relations become even more rooted and intricate. The hoped-for management paradise has yet to arrive.

**Problem 3. Fundamental unwillingness of "specialists" to engage in real work.** Allowing "specialists" to organize labor as they see they fit will result in a split of all workers into "intellectual organizers" and "direct executors" almost immediately. At the same time, "specialists" always fight attempts to include them in real work (with very few exceptions). They would rather deal solely with management and supervision. If you allow "specialists" to organize their job the way they want it, you will end up with a wild general overflow of personnel and the split of all workers into "castes".

And do not assume this is just a problem that affects one country. One of the reasons that attempts to implement Japanese work methods in American automotive firms failed was the foremen's categorical reluctance to continually be with their subordinates and, if necessary, take personal part in the teams' work.

They sought to concentrate solely on management after their appointment. Such customs have a devastating effect on the overall effectiveness of the company's operations.

**Problem 4.** For some reason, in the management literature it is customary to talk exclusively about the positive qualities of the "team". However, all "teams" have negative qualities, and very serious ones.

To begin with, all "teams" gradually increase in price. Even though any "team" will increase in value, it will nevertheless tend to rest on its laurels. It relaxes after accomplishing certain results, preferring to float in the inertia of previous victories and achievements. In a competitive market, all "teams" (and those who are successful in the first place) tend to overestimate their own strengths. The credibility of previous accomplishments is frequently a dependable stumbling block to fresh ideas and innovation. Without external control coercion, the "commands" are essentially incapable of renewal. In such circumstances, it is quite tough for beginners to split up. If things go wrong, the "teams" will never be able to clean themselves up, and the old team members will not make any effort to keep their skills and knowledge up to date. As a result, according to management theorists, any leader's purpose is to "identify brilliant personnel and build a team of them..." which is nothing more than another intermediate finish.

**Conclusion.** The majority of managerial issues come from the inherent issues that any organization built on the concept of separation of powers and delegation of authority faces. And a large number of business owners and managers have been able to learn from their own painful experience. Theorists always explain all failures on personnel faults while defending their beliefs and practices.

The majority of practitioner leaders follow two simple rules:

1. Never stray too far or for too long from your own business.
2. The principle of duplication and division of authorities is always utilized to prevent a "coup d'état." However, following these standards costs both the leaders and their companies a lot of money. After all, the first condition rules out any chance of retiring without incurring significant and irreversible costs in the future. The second necessitates the creation of duplicate subdivisions and departments (to avoid any of the management monopolies from dictating their own terms) as well as extreme caution in ensuring that any deputy's power and influence is always counterbalanced by other deputies.

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**Абасова Айтян Аскер**, кандидат технічних наук, доцент. **Мамедова Кямала Мехті**, кандидат економічних наук, доцент. **Алекперова Лала Азіз**, старший викладач. Азербайджанський архітектурно-будівельний університет, Баку, Азербайджан. **Шляхи подолання обмежень теорії менеджменту**. Науково-технічний прогрес і швидкий розвиток інформаційних технологій не можуть не позначитися на принципах ведення бізнесу. Соціально-економічна ситуація, що змінилася, зумовила появу нових та загострення наявних викликів і проблем в управлінні. Кризові умови

вимагають відповідних програм змін, які охоплюють усі сфери роботи підприємства. При цьому труднощі реалізації змін на підприємствах визначаються навіть не кількістю дій і витрат на досягнення мети, а тим, наскільки необхідно змінитися кожному керівникові й кожній людині в організації. Успіх будь-якого підприємства полягає в першу чергу в добре підбраній команді фахівців. Компанії все більше стають залежними від людей, які в них працюють. З різким збільшенням швидкості науково-технічного прогресу і в процесі реалізації стратегії з переходу до цифрової економіки зростає потреба в правильному й сучасному підході до управління людським потенціалом. Злагоджена робота колективу кожної компанії на мікрорівні допомагає всій компанії виходити на якісно новий рівень і досягати поставлених цілей з урахуванням існуючих викликів. Показано процес формування кордонів мислення керівника та вплив їх на прийняття рішень. Обґрунтовано актуальність зміни управлінських стереотипів для відповідності новим економічним викликам. Запропоновано алгоритм аналізу й удосконалення особистої роботи менеджера. Розглянуто основні шаблони мислення, причини їх виникнення та способи подолання. Проведений аналіз робіт із цієї тематики дозволяє розглянути існуючі проблеми управління людськими ресурсами та розробити найбільш оптимальну методику для розв'язання завдань у сфері створення та оптимізації стратегії управління людським капіталом.

**Ключові слова:** делегування повноважень, теорія управління, конструктивна співпраця, команда.

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**Abasova Aytan Asker**, PhD, Associate Professor. **Mamedova Kamala Mehti**, PhD (Economics), Associate Professor. **Alekperova Lala Aziz**, Senior Lecturer. Azerbaijan University of Architecture and Construction, Baku, Azerbaijan. **Methods to Overcome the Limits of Management Theory.** Scientific and technological advancements, as well as the rapid development of information technology, are bound to have an impact on business concepts. The changed socio-economic situation has led to the emergence of new and exacerbation of existing challenges and problems in management. Crisis conditions require appropriate change programs affecting all areas of the enterprise. At the same time, the difficulties of implementing changes in enterprises are determined not even by the number of actions and costs to achieve the goal, but by how much it is necessary to change each leader and each person in the organization. A well-chosen team of specialists is crucial to the success of any business. Businesses are becoming increasingly reliant on the people who work for them. With the rapid acceleration of scientific and technological advancement, as well as the implementation of a strategy for the transition to a digital economy, a correct and modern approach to human potential management is becoming increasingly important. At the micro level, the well-coordinated activity of each firm's team assists the overall organization in reaching a qualitatively new level and achieving the established goals while taking into account the existing challenges. The article shows the process of forming the boundaries of a manager's thinking and their influence on decision-making. The urgency of changing management stereotypes to meet new economic challenges has been substantiated. An algorithm for analyzing and improving the manager's personal work is proposed. The main patterns of thinking, the reasons for their occurrence and ways to overcome them are considered. The review of previous work on this subject will enable us to analyze current human resource management issues and establish the most effective methodology for solving difficulties in the area of developing and optimizing human capital management strategies.

**Key words:** delegation of authority, management theory, constructive cooperation, team.