

The Political Dimension of Managerial Competencies in Action: An Interview Study in Brazil

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The purpose of this qualitative study is to analyze the meaning of managerial competencies in relation to managerial responsibilities to stakeholders. Guided by the interpretative perspective, the experiences of thirteen Chief Executive Officers, each from a different Brazilian company, covering a variety of economic sectors, including food, retail and information technology, were analyzed through one to two-hour semi-structured interviews. The responses of the managers were subjected to a narrative analysis overviewed in terms of a number of predetermined aspects. The results showed that managers do little about the imbalance of interests and when they do, it is to maintain the status quo. They do not see serving interest groups as one of their primary responsibilities and they do not develop management mechanisms to fulfill that purpose. Based on these findings, it is argued that there is a fragility in the logic of the stakeholder position which may be nothing more than a theoretical construct, or a narrative, with little effect on the reality of how managers make decisions and conduct their actions.

Introduction

The common tradition in the literature of competencies has a strong functionalist and managerial connotation, occupied with discussing human capacity at work aiming, overall, at individual and collective performance: the productivity of the organization's subjects and groups and the corporation's economic success (Garavan and Mcguire, 2001). However, especially from the 1990s, a concern of another nature begins to emerge in this field's studies, drawing attention to the need to analyze competencies in their ethical-political-societal dimension (Burgoyne, 1993; Holland, Ritvo and Kovner, 1997; Cheethan and Chivers, 1998; Ruth, 2006). This broadening of scope and focus is the theme of this article, which specifically problematizes the political dimension of competencies based on an investigation of the relationship between managers in board and presidency positions and their interest groups, known as stakeholders (SHs). It is qualitative research that aimed to discuss competencies from a little-explored perspective, which in the end questions their meaning and purpose: what are competencies for, what are they in service of?

To understand the meaning of the political dimension of competencies, a specific aspect was chosen; the relationship of managers with interest groups, due to the advance of the discourse that the quality of this communication is fundamental for organizations to survive and the growing adoption of sustainable principles guided by socially-responsible relationships. 'In the current context, a company that desires long-term sustainability must have the competency to be an excellent manager of relationship networks between various groups of social actors, also known as stakeholders (Ashley, 2002).

The decision to research Chief Executive Officers (CEO) can be justified by the fact that these actors have the responsibility for creating, establishing parameters for and maintaining relationship networks with the other interest groups. Their role is to provide leadership and management, leading their organizations to solid market positions and building the bases for future growth. It is essential for them to be able to perform their work in a way that meets the growing social imperative deposited on them and the companies they direct, based on a relationship of trust with SHs.

The discourse underlying the SH theory rests on a founding democratic principle, as it proposes coordinating and balancing multiple interests (Carrillo, 2007). Good corporate governance would, in this context, play the role of a protective shield for the various interests at stake in the organizational setting, which would have a direct impact on the organization's decision-making and its very structure, as Carrillo (2007) shows.

Increasingly common initiatives in favor of social responsibility, diversity, inclusion, sustainability in organizations, corporate citizenship, ethics in business, companies' intense effort to present reports emphasizing these actions, added to the high investment in advertising linked to so-called socially-responsible actions, signal an increasingly complex setting for the manager to act in (Carroll and Schwartz, 1998). However, the literature shows that recognizing rights and taking care of power asymmetries are actions that will only get stronger when executives also see these purposes as a source of competitive advantage, as a way to gain prestige and strength (Carrillo, 2007) or also recognize that the pressure exerted by SHs can translate into risks for operations.

Political action maintains the status quo or transforms it within the existing social structure and it can be associated or not with a collectivist and participatory logic. The manager is responsible for giving new meaning to his political action and taking his place as a relevant social actor in this context. That means that this professional is expected to combine functional competencies, based on technical and management knowledge, which will guarantee the growth of organizations and political competencies that permeate the inter-relations between all interest groups, proving himself able to balance demands and minimize power asymmetries.

Thus, the final objective of this research is to identify and analyze managers' competencies with respect to their managerial responsibility with the organization's interest groups. It is a question of understanding what meaning these professionals attribute to the political dimension of the competency that affects their decisions and guides their responses in relation to the imbalance of interests.

The object of the study was the experience that thirteen managers in board and presidency positions had in their relationship with stakeholders. The managers were selected according to how representative their company was in their respective markets.

Two contributions are intended. The first, of a theoretical nature, is to conceptually discuss the political dimension of competency, which is still not often considered in the current literature. The second, of a more political nature, is to contribute to the advance

of management forms and the relationship of companies with their SHs, as well as to aid reflection on the processes of political competency development in managers.

The study of competencies through an interpretativist lens: In search of meaning in action

It is important to inform the reader that this study is based on the analysis of competencies through an interpretativist point of view and interpretativist authors. That means competencies are not being considered as a set of attributes that the individual possesses and activates independently of the context he finds himself in and the meaning he attributes to his work. On the contrary, the presupposition is that working capacity is constructed according to the situation and depends on the meaning the subjects construct at work in social interaction processes (Sandberg, 2000).

To Sandberg (2000), the particular way an individual or group conducts their activities expresses the way that certain attributes were defined as essential and organized within a distinct competency structure. That means the attributes, usually considered as knowledge, skills and attitudes (KSA), do not have a fixed meaning, on the contrary, they gain meaning based on how the work is thought out and performed. The author opposes the rationalist logic that tries to operationalize attributes into quantitative measurements, resulting in abstract and simplified descriptions that do not represent the competency's complexity. It comes down to indirect descriptions of competencies that do little to clarify what constituted and produced the expected results.

In his research at the Volvo company, Sandberg (2000) found, among the engineers he researched, that those who demonstrated an understanding of their task as going beyond the more immediate aspects of the function were precisely those the company considered the most competent. He thus concludes that individuals have different conceptions of their work, which can be categorized and hierarchized. These conceptions reveal subjects' degree of complexity and understanding with respect to their work, which has an impact on competency construction. Besides, this shows that work conceptions not only reveal the meaning of attributes but also which attributes in particular are developed and mobilized in action.

This more reflective view has a direct impact on the way competency development is thought of. If the heart of the matter is the meaning of work, then its development implies changing the meaning structures, allowing new practices to come to light (Sandberg and Dall'alba, 2006). It is in the daily process of refinement and planning of everyday practices, intersubjectively, that the meaning of the task or the work is amplified and deepened. Individuals start from a pre-understanding and construct new ways of seeing, feeling, analyzing and producing responses, leading them to construct new understandings. The learning cycle experienced by subjects allows a passage from a situation of pre-understanding to another level of understanding and reflects the process of competency development (Sandberg and Dall'alba, 2006).

Developing competencies implies, therefore, in a change in the meaning of work which, in its turn, is the fruit of the enrichment of experience. This modification can cover both

a significant alteration in the way the practice is experienced and transformed and a refinement of the way an experience is lived (Sandberg and Dall'alba, 2006).

Although Sandberg's works are pioneers in basing themselves on a phenomenological analysis that seeks to identify the essential aspects of competency, show how these are integrated and see the meaning of work as its central engine, classic European authors such as Zarifian (2001) and Le Boterf (2003) also consider the sense and meaning of work as fundamental elements of the competency construction process. Even if their analyses fall under another perspective, they also distance themselves from an eminently traditional and rationalist perspective: 'Competency is a question of listening, understanding, respecting so as to favor dialogue, communication, expression and overcoming of conflicts [...] It is what sociologists call understanding procedure, a procedure that tries to apprehend the meaning each person attributes to his action, the motives that people have for acting and for getting involved in action, the motives they may have for understanding themselves around common values and objectives' (Zarifian, 2001, pgs.118-119). 'The professional mobilizes his competencies around a project that holds meaning for him, to which he gives a sense' (Le Boterf, 2003, p.155).

What is being said here is that the interpretativist approach presupposes that the researcher will try to understand the experiences of the actors in the organization in the attempt to decipher the meanings in their everyday activities that give sense to their actions and, as a result, to competency construction. This research was conceived from that point of view, based on an analysis of the experiences of managers in everyday activities involving decision-making, considering the balance of forces among SHs.

The political dimension of managerial competency: An introduction

The planning and development of competencies cannot be considered neutral and objective activities, which do not represent the arena of struggle between groups with diverse interests that try to support their ideas and demands and are concerned with questions of power (Haland and Tjora, 2006). That means that what is present or not in the agenda of qualification programs also reflects this setting of disputes. A study that exemplifies these tensions well is the one by Graham and Tarbell (2006), which discusses how the specifications of human resource professionals' competencies consider the perspectives of upper and middle management and neglect the perspective of employees.

According to Bourgoyne (1993), when examining the question of what focus to give the discussion of competency, in other words, what its purpose is, when the concern is debating what agendas the different movements of competency may serve, there is a distancing from the essentially technical dimension of the debate, placing its political dimension in the forefront. It is about questioning if the ideas and practices that sustain the formation of competencies are working to maintain the status quo, control, standardization, with the emphasis on forming skills that lead to knowing how to do, or if the emphasis is on the capacity for understanding and critical reflection about experiences lived within organizational spaces.

Reflections on competency value, above all, the performance of managers, without questioning if the skills and competencies acquired can be considered ethical or positive in a given organizational context (Ruth, 2006). Little or no emphasis is placed on ethical and value questions in competency models, as Cheetham and Chivers (1998) show, as well as on discussions about power (McKenna, 1999). At a moment when sustainable attitudes are being demanded from organizations, we can no longer ignore discussions in the area that go beyond those focused on economic performance. 'About a regime of competency models, "we have not been examining life", but performance subject to servility. In times when it seems reasonable to argue that the intellectual, the person with a scientific basis, the person who is technologically developed, the rational apparatus of the developed world, is failing to deliver a sustainable and coherent future for the planet [...], we may certainly conclude that the notions of competency inlayed in these models are also suspect' (Ruth, 2006, pg. 215). Thus, Ruth (2006) defends that we have to reposition the competency discussion in a much more political and social conception than the market, efficiency and technology one.

The work by Holland, Ritvo and Kovner (1997), despite being very prescriptive and incipient is an early contribution to discuss the political dimension of competency, which is why it was included in this research. The authors understand the political dimension to be part of group relationship competencies, that is, they are social competencies. However, in this work that label – social competency – will be avoided, as it can be confusing, since in the area's current literature social competency is restricted to the socialization abilities of subjects within an organization (Zarifian, 2001; Fleury, 2006). As the main concern here is with companies' ability to relate to the organization's collective, its social groups and the external environment, it was decided to use the term "societal competency" in this work, to clarify what is really being referred to.

In Holland, Ritvo and Kovner's (1997) conception, the political dimension of competency has to do with managers' ability to make decisions while taking into account the impact they would cause on the individuals and groups affected. And they propose two central questions to assess managers' political action: a) up to what point do the organization's managers accept, as one of their primary responsibilities, the need to develop and maintain healthy relationships among SHs? b) how well do they conduct that responsibility?

This means that, when confronted with matters that may affect the interest groups, managers must seek direct and regular communication with them, making sure their interests are duly served and preserved. That presupposes a capacity to understand and balance multiple interests and to propose solutions which support the organization's image among all the SHs, minimizing power asymmetries.

To reach this balance, Holland, Ritvo and Kovner (1997) present a set of questions that can help develop communication processes and mechanisms capable of promoting greater balance in relationships with SHs, including: the company's board forms committees or task-forces directed or made up of members from higher and lower levels; it communicates its decisions to all who will be affected; it investigates the feelings of a group that will

be affected by a given decision or set of decisions before implementing it; it maintains communication channels with leaders of key communities; it dispenses as much attention on *how* it will make its decision as on *what* is being decided; executives take part in meetings where explicit attention is given to the concern of constituent groups or the populations served by the organization; they periodically request and consider information about the morale of the employees in the organization; before taking important decisions the executive seeks information from people or groups that may be affected; executives are profoundly aware of the impact their decisions will have; they report to shareholders their concerns about the groups that will be affected by their decisions.

Based on these theoretical reflections and the questions raised by Holland, Ritvo and Kovner (1997), it was sought to discuss the meaning of political competency and to analyze managers' experience in their relationships with SHs.

The research design

With the purpose of understanding the meaning of the political dimension of competencies, understanding managers' actions and experiences in their organizational context, the methodology of basic interpretative qualitative study was used. This investigation procedure has the central characteristics of qualitative research, seeking to discover and understand a phenomenon, a process or the perspective and world view of the people involved in the research without, however, intending to analyze the culture, as in ethnographic research, or construct theories, as grounded theory proposes (Merriam, 1998). It may exhibit some or all of the characteristics of qualitative study, without resorting to any traditional qualitative approach, or electing a particular methodological point of view (Caelli, Ray and Mill, 2003). For this reason, it was considered appropriate for the research in question.

In the case of this investigation, the semi-structured in-depth interview was chosen as the central data construction strategy. Thirteen interviews were thus conducted, lasting between one and two hours each, held at the managers' own workplaces, recorded and transcribed in a trustworthy manner, with the guarantee of secrecy for the names and companies involved. Apart from the interviews, in order to contextualize the organizations, company sites were visited to find information that would help map the context in which these executives worked, as well as the study of annual financial reports, which present the various dimensions of corporate results: financial, market position, relationship with SHs and future plans.

The data treatment was inspired by the narrative analysis proposal (Czarniawska, 2002; Riessman, 2002), where meanings revealed in the narrated experiences are interpreted with the guidance of four axes: SHs hierarchy and relevance; the formal and informal processes of hearing SH demands; conflicts and dilemmas and, finally, the meaning of political competency.

Table 1 sums up the characteristics of the interviewees.

Stakeholders' hierarchy and relevance: political competencies

Zarifian (1994) establishes that one of the references of competency is individuals'

capacity to deal with events or situations that occur in a partially unpredictable manner, contributing to some disturbance of normality in daily activities. Faced with certain events, human activity repositions itself. The event holds simultaneously: a set of objective elements that are describable and objectifiable (the facts of a situation); the implications of the situation, which lead to the decision-making and guide the potential actions that this event may demand and; the subjective form the subject has of perceiving the situation, positioning himself, facing it and defining his actions as a result of the fact. The notion of event seems very appropriate for understanding how executives deal with multiple interests and create response mechanisms.

Corroborating Freeman (1984), the managers interviewed seek to reduce the number of SHs, limiting themselves to those that Clarkson (1995) and Gibson (2000) classified as primary: they are considered critical for the survival of companies, maintain a contractual relationship and are directly affected by the organization and prioritize their superiors and shareholders in decisions. Thus, the way this hierarchy is established was investigated. The speech of directors A3 and A6 showed that meeting SH demands was strongly related to the importance and the impact of decisions on a given group.

Table 1

Subjects	Sex	Age	Time on board	Time with company	Area of professional activity	Current position	Report level
A - 1	M	42	9	1	Financial Institution	Financial Director	President
A - 2	M	34	4	12	Food Retail	Operations Director	President
A - 3	F	36	4	4	Sports Retail	HR Director	President
A - 4	M	48	8	1	Publisher	General Director	Council
A - 5	M	46	8	10	Print Media	Communications Director	Vice-President
A - 6	M	44	9	1	Food Industry	Operations Director	President
A - 7	M	49	10	18	Financial Institution	General Director	Council
A - 8	F	43	6	6	Logistics and Transportation	President	Council
A - 9	M	39	6	1	Equipment Industry	HR Director	President
A - 10	F	38	5	4	Technology	Marketing Director	President
A - 11	M	37	5	1	Pharmaceutical Industry	Marketing Director	Vice-President
A - 12	M	36	4	10	Financial Institution	Commercial Director	President
A - 13	M	53	10	28	Chemical Industry	Technical Director	Vice-President

Source: created by the authors

To better understand the speech of director A3, it must be taken into account that at the organization where she works, with four thousand employees, the commercial director, one of her peers, has the greatest number of employees in his structure (around 3 thousand) and, consequently, he has the greatest demand for the human resource services the interviewed director is responsible for. Here the interviewees' own confusion regarding who their SHs are and who the organization's SHs are is revealed. Sometimes, the managers interviewed tend to consider as SHs groups or actors that affect them most directly, independently of who the organization's SHs are. This means they take decisions alone, or sometimes as a group, considering SHs according to their own perspective. If that is the current procedure, it is worth questioning what SH means to organizations. 'Hierarchy for me is established with a measure where I see how each of these guys can contribute or damage my business. There are more important suppliers and less important suppliers. So I need to have different relationship policies with them. (A6 – Operations director at a national food business).

As director A6 works at a national food business, the main cost variables lie in the transportation and energy suppliers and vary depending on the seasonality of raw materials supply. These SHs assume more or less importance in the purchase negotiation process, which means the relevance hierarchy is alternately established. The director hierarchizes SHs, serving those whose impact will be greater in a given decision-making process. The hierarchy is altered as environment contingencies occur, such as results of events, there not being, therefore, a single classification standard for SHs in the decision-making processes.

The managers consider the SHs that will suffer the greatest impact from the decisions made during a certain event. As these change constantly, it can be assumed that the hierarchy varies according to each event, as director A10's speech summarizes. 'It depends on the circumstances... ' (A10 – Marketing director at a technology company)

The elimination of a SH demand can be considered part of the hierarchization process. This occurs when the manager realizes he will not be able to serve that SH or when the demand itself becomes an obstacle to the manager's purposes. 'As I see clearly that I have a situation where one of the guys [an immediate boss], one of the stakeholders is absolutely unstable, I have to delete that guy from the process. He is a variable, but he is such a variable variable that it is no good for solving my equation... I eliminate him from the process'. (A12- Financial director of an international bank)

As the manager's main focus is reaching results, he compromises demands that are important, but are considered secondary. 'I think some demands, like social responsibility and environmental demands or organizational demands [may not be relevant]. So, for example... making work take place in a gentle way, for people to feel good while they are working, to me that is obviously important, but that comes after... delivering the result'. (A11 – Marketing director at a multinational pharmaceutical company)

And he goes on, justifying his position. 'Once you deliver the result, you have a certain alibi for doing different things. These priority agendas [other stakeholders' demands],

less of ends and more of means... which I think are part of an organization when you have a big organization, are important and you can't leave them aside, but I think they really do gain greater relevance as... the result doesn't come'. (A11 – Marketing director at a multinational pharmaceutical company)

In situations where there is an effort to reach a consensus, a prior pact between the SHs involved in the events, this initiative is limited to an attempt to guarantee a minimum balance among the various interests. The consensus, when there is one, is established through a minimum agenda of expectations. 'I know everybody has a certain priority, but let's agree that we will try to more or less meet the priorities within a minimum agenda' (A11 – Marketing director at a multinational pharmaceutical company). Statements such as these allow the elements that contribute to altering SH hierarchy and relevance to be rethought. There will be variations, not only as a result of the stage the organization finds itself in, or managers' values (Matsushita, 2004), but also as a result of events.

Listening to stakeholders – the formal and informal processes of listening to demands

The executives researched were asked about the formal and informal processes of listening to and understanding SH demands. It was sought to identify the regular procedures that managers use daily to understand the needs and claims of groups they relate to. According to Holland, Ritvo and Kovner (1997), these imperatives rest on political skills.

The formal processes for listening to stakeholders

The managers rely on formal climate assessment instruments which are normally conducted by the human resources area, a fact that is not surprising considering the size of the organizations researched. 'There is a formal climate research process. So, that way you identify how the employee feels, what he does not identify with'. (A4 – President of an international media company)

However, no initiative on behalf of the manager himself to create proper channels for listening and interlocution was found. 'You have assessment tools for bosses and subordinates and even for peers'. (A5 – Communication director at national media company). 'We implemented the suggestion boxes and only silly things turned up'. (A8 – President of logistics and transportation company)

The 360% assessment system and the "*suggestion box*" were mentioned as communication strategies. If the employee is considered a relevant SH, the routes through which these managers are seeking to establish contact are, at least, insufficient. When these approximation strategies prove ineffective, the responsibility is placed on the employee and not on the system. 'Drivers are still an extremely simple class. So, there is no point trying to use a very formal channel, writing, finding a person in HR to cater to them'. (A8 – President of logistics and transportation company)

The justification for not implementing a more formal or systematic channel for discussion is based on the employee's simplicity, on the supposed incapacity for more structured communication with this functional category. The question here is whether political

competency is not the manager's own capacity to institute an efficient communication process and familiarize employees with this channel's use by means of a learning process. This, however, would depend on political will.

These formal channels, which take on a merely formal function and are more symbolic than representative, seem to hide a central aspect. Managers will invest in relationships and put energy into dialogue if they believe they can gain knowledge, ideas, trust or any other advantage that would be useful to them in their management. If they do not invest or if they only invest superficially in this dialogue it is because they do not truly believe they will learn from the contact. If the SH are the focus of learning, this communication becomes a source of feeding and promotes a positive synergy, a retro-feeding. In the case of the employees, it seems the communication pathways reveal a lack of confidence in the potential of this communication. 'We have installed an open-door policy, with transparency, communication clarity. That is, my door is open and an employee from any area can come in at any moment to interact with me' (A9 – Human resources director at equipment business)

Similarly, director A9's report leads to the same reasoning. The manager implements an "open-door" policy, which he classifies as a sign of transparency and communication clarity. Allowing another to enter this direction space is a synonym of a dialogic relationship and interaction. If an employee doesn't make a move towards this, it is a different matter; for the manager, the open channel has been established. The meaning this manager gives to the words communication with employees, to his openness and transparency, hardly represents a genuine political competency.

The same director took the initiative to create a formal satisfaction survey to listen to employees and developed action to implement it. 'In October last year we created a continuous survey, quote, unquote, applied online. Every two months we "take the temperature"' (A9 – Human resources director of equipment industry)

Thus, a formal instrument to "take the temperature" of the environment is used, which could mean the director is much more concerned with not allowing the thermometer to reach high levels that, in a feverish situation, would unbalance the organism than to establish communication channels for dialogue and negotiation.

With peers, this type of relationship changes and the formal channel becomes not only relevant, but also has another configuration, which allows the development of concrete projects, as well as making possible real proposals for intervention in the company. 'Formal channels with other stakeholders... There are meetings in the area here, such as board meetings, multifunctional meetings. There are various projects that allow this kind of reading and to see what the needs are'. (A9 – Human resources director of an equipment business)

The formality and frequency with which the process of listening to SH demands and feelings indicates the relevance each group has for the manager. 'With my logistical partners, meetings are held to determine what will be important. We have a quarterly

meeting, which we call 30/60/90 and also some meetings with very strong seasonality. I also have two complete annual meetings, with our 50 biggest suppliers. This generates a scorecard, a tool that helps me understand if they like what they are seeing or not' (A2 – Operations director of multinational retail company)

Informal processes for listening to stakeholder demands

Interpersonal competency, according to Moscovici (1994), is the result of a realistic perception of interpersonal situations and behavioral skills. It is sought, through personal relationships, to clearly understand interlocutors' demands in situations and environments characterized by informality and causality. A belief in this capacity to relate informally and, this way, extract valuable information for conducting daily activities, permeated the speech of most interviewees. 'Meetings are occasional, we talk if there is a demand for it, if there is a problem. The thing with the supplier, the commercial area, that's daily, it has no routine, because we are interested in making their strategy happen' [the objectives of suppliers and the commercial area] (A2 – Operations director at multinational retail company)

One of the characteristics of informal contacts is that they occur "*if there is a demand for it, if there is a problem*", which suggests there is no pro-active character in managers' actions towards stimulating or strengthening the relationship. 'Everyone exchanges information outside of board meetings. The closer the peer relationships, the closer the exchange of information. Trust becomes so great that you forget to do this approach with these stakeholders'. (A3 – Human resources director at national retail company)

When the director's central concern is to listen to primary SHs, increase trust in that relationship, then it is not strange that she forgets to "*do this approach with these stakeholders*" who are secondary. 'To do relationship management with my peers is of paramount importance, but it's a very informal thing. For any initiative, it's important to create a system of allies. It's only through strong relationship management that I can create support for our initiatives, which makes things go ahead and the project be implemented'. (A9 – Human resources director of an equipment business)

With the peers, communication is established beyond open doors: the relationship with this stakeholder is summed up by a specific term, relationship management. The world "ally", in the speech, represents the role the manager tries to establish with this interest group, which allows the development of joint initiatives and projects. Here, the manager's action really materializes; it is not reduced to an intention of communication. 'With the employee, it's one thing to make a rule, a communication, it's another thing to sit down: "Come here, what's going on?" Firstly, because I am the boss, so I'm always the initiator, I send all my formal communications. In board meetings I talk about official things, I send reports, emails, but sometimes I go over there: "Hey there! How are you? How's your kid? How are things over there? Look here, let me take this opportunity..." You end up updating some stuff'. (A1 – Financial director of multinational financial institution)

Director A1 seeks to particularize relationships, very far from a formal and regular process of listening to SH demands. The question here is what the reach of his initiatives

is. Besides, the cordiality of the contact, the family and personal concern, fundamental elements of a good relationship, work as entry mechanisms for his formal communications (rules, emails, minutes) to his subordinates. Here the strategy seems to be to avoid conflict, to facilitate the entry of decisions. The action – giving an order – followed by the gesture – asking about the employee’s family – reveal the political nature of the manager’s action. ‘Very informal, because I think that when it’s formal, when you say to the guy: “Send that for me by email” or “Let’s make a conference call?” the guy is careful with what he says. When you say “I’ll call you on your cell phone later, I want to discuss some points with you,” then you have a very open and fluid chat, which is much more productive. I find this channel fundamental and, if it’s a formal channel, it doesn’t exist. The best information channel is the informal one’. (A12 – Financial director of international bank)

This care in the relationship, this personal way of conducting the process, means the manager’s interest-negotiation actions take place, predominantly, through individualized and asymmetric paths. They do not, therefore, turn into more collective and participatory negotiation mechanisms with a greater potential for generating balance. The executives’ strategy is non-confrontation, closer to a lateral negotiation, which avoids stress. This communication effort is concentrated in the micro-dynamics of informal relationships, it is particularized and it takes on an important connotation when political competencies are being discussed.

Conflicts and dilemmas; on what side does the decision-making become unbalanced?

It is now a question of understanding the dilemmas and conflicts that managers go through in their decision-making processes and discussing in what direction their decisions are unbalanced. ‘The client, who directly benefits the most from my decisions, and the shareholders, who understand client satisfaction, are the ones who will indirectly benefit the most’. (A2 – Operations director, multinational retail company) ‘Nowadays, the relationship between my position and the public is a very conflicted relationship. I try to be a conciliator in the way I act, based on reconciliation and always thinking about what will be most beneficial for business’. (A4 – President of international media company) ‘I find it difficult to reconcile what shareholders want with what employees want. Nowadays, at the company I manage, that is a great problem, because you have the union, which determines many things; you have the day-to-day, which is often not what the union says; and you have the shareholders, who often do not want to follow to the letter what the union demands. So, for me it’s not clear. I have to reconcile this side, which for me is kind of confusing, I have to manage what is the union, what is the employee...’ (A8 – President of logistics and transportation company)

The expression *reconcile interests* is the most appropriate for the manager’s objectives than *balance*. The content of the reconciliation action is more linked to ideas of harmonization, of calming spirits, of establishing alliances and of tranquilizing; it does not have the same density as the balancing action, which is making opposite things have a similar weight, counterweighing and equaling. President A8’s purpose, expressed in

the phrase “*I have to reconcile this side, which for me is kind of confusing*”, leads her to operationalize reconciliation actions and not to make decisions that promote greater balance. The president’s objective is eminently instrumental, while balance requires a non-instrumental ethical purpose (Wijnberg, 2000).

The need to “*make the shareholder happy*”, an expression president A8 used during her interview, exemplifies the logic that managers work with, often compromising a fundamental aspect of competency, autonomy (Zarifian, 2001). ‘I do whatever my boss says, obviously I do, otherwise I run the risk of losing my job’ (A9 – Human resources director of an equipment industry)

Autonomy, however, is not just intellectual but also moral (Kamii, 1995, p.103). Political competency demands a degree of confrontation, the capacity to take on risks in name of the moral implications inherent to making a decision. ‘An extreme example of the morality of autonomy can be seen in Elliott Richardson, a character in the famous Watergate scandal, in the USA. He was the only member of the Nixon cabinet who refused to obey his boss and resigned from his position. The other characters involved in the Watergate spying illustrate the morality of heteronomy. When they were told to lie, they obeyed President Nixon and persisted in what was wrong’.

The pressure caused by the SHs, in many situations, generates conflicts that put them in a high-risk situation when decisions are made, as can be seen in the case narrated by president A8. She had the obligation to pay overtime to the organization’s employees but she couldn’t get the shareholders to agree on the costs. The strategy the president adopted to solve this impasse turned out to be good for the company’s objectives, but the action is politically incompetent, failing in the search for balance and workers’ rights. ‘I invited all the drivers to a barbecue on a Saturday and I said: “My dears, it’s like this: there is no overtime. If you want to embrace this cause and work here because [the manager] is a nice person, [the manager] pays you on time, [the manager] listens to you, [the manager] helps you out, then you’ll work; otherwise, you really have to go, because I’m not going to pay overtime [...] So I’m not going to deceive anyone. There’s no way to pay overtime. Can you do it? You can’t? So let’s go on.” (A8 – President of a logistics and transportation company)

Instead of looking for balance, the president, pressured by the shareholders to break a legal requirement, resorts to a seduction strategy. As the public she acts with is made up of drivers, an economically underprivileged social class and made up mostly of men, she decides to have a barbecue, outside of work hours, to deliver news which would certainly displease everyone. This means the managerial decision “*we are not going to pay overtime*” is minimized by the way this resolution is announced.

The manager opens with the expression “*my dears*”, in an attempt to display affection and closeness with the truck drivers. After that, she appeals to the workers to stay at the company as if they were embracing a cause – “*If you want to embrace this cause*” – asking them, thus, to unite around a common project, where their leader, humanely, does everything possible to provide the best for those who are devoted to her: “*because*

[the manager] is a nice person, [the manager] pays you on time, [the manager] listens to you, [the manager] helps you out”, “otherwise, you really have to go”.

The president, in this discursive context, presents herself as a heroine who does everything for her people, but who has reached an impasse, something stronger than herself, which is above her own decisions and stops her from acting the way she thinks she should or her employees deserve. If they stay, it's because of her, because they know someone at the company is fighting for her. Her gesture, thus, comes across as magnanimous and those who stay are the ones who understand her almost heroic act and decide to collaborate.

The president even assesses her decision as licit: *“I am not deceiving anyone”*, which reveals another message implicit in her line of discourse, that those who stay are aware they will work without receiving overtime. She is not deceiving anyone, the cards are on the table, nobody has the right to complain later, the rules are clear: *“There's no way to pay overtime. Can you do it? You can't? So let's go on”*.

In the end, the solution the president found was to reward, by supplying food, the unpaid salary that was owed. This compensation is attractive to a group of workers who see their salary largely committed to food. Her act seems worthy and intelligent, as she has found a way to reimburse them indirectly. ‘So, I implemented a food voucher worth R\$ 40.00 for the driver who works on Saturdays. I found a way to reimburse him but not with money, because I can't put it on his pay check, but I can get a food voucher and pay him on Saturdays’. (A8 – President of a logistics and transportation company)

This episode also involved clients. A possible way out would be not working on Saturdays, which would eliminate overtime. The manager's position was very clear: ‘So, and this is my opinion, between getting into a fight with my client and my shareholder, I would rather get into a fight with my shareholder, because if I lose the client and revenue falls then I will also get into a fight with the shareholder’. (A8 – President of a logistics and transportation company)

The manager's dilemma lies in the question: who “will I get into a fight with?” Who to please, who to displease? Which decision will make her lose less? However, when it's a matter of political competencies, the question is not who to “get into a fight with” but for what reason to get into a fight. The question of the purpose of actions is raised again.

The development of a political competency is propelled by the strength of the constituent actors' pressure. If the employees refused to keep working, the managers' solution would have to go far beyond the food voucher and the barbecue appeal. In the same way, the impasse in relation to clients and shareholders. ‘We don't work in the voluntary sector, we're not here to work for a church: we aim for profit. Let's be a little franker: you have several balls to juggle with, the only one that can't be dropped is profit’. (A2 – Operations director at a multinational retail company)

The relationship between means and ends is expressed in this speech. The end – profit – justifies decisions where significant losses – letting some balls drop – may be allowed. It is no coincidence that Wijnberg (2000) reconsiders the rescue of ethics and politics

when he discusses balancing interests and SHs. To him, the organization must allow the decision-makers, especially managers, to promote their members' "good living", which implies that SHs are considered an "end" and not a "means". 'It's like being the Chinese man at the circus, balancing plates. So, you have several plates and every time you let one drop, you move the other one a little, then you go back to the plate that's dropping and balance it a little. You always have to watch where the plate is dropping to'. (A1 – Financial director of a multinational financial company)

Financial director A1's argument illustrates well how managers act. There is no, or little, pro-activity when it comes to dealing with SH interests. Their actions are guided by reactive logic; as a result, the direction of imbalance or balance is established by "*the plate that is dropping*". In this sense, the importance of the political strength of distinct SH groups becomes increasingly clear. The degree of pressure each one exerts is what tips the scales and is the element that will promote any kind of change in the relationship with the organization. 'Obviously the scales will, most of the time, tip towards whoever has the most influence.' (A4 – President of an international media company)

According to Cheetham and Chivers (1998), one of the four key components of competency is ethics and values, a concern that the managers hardly talked about. One exception is president A8's narrative which, once again, is worthy of attention. She recalled the case of a load of a perishable product for cancer treatment, which was in her deposit, awaiting distribution. The product storage, the company's responsibility, must be done at a certain temperature. After two days of product storage, the manager was informed that the storage temperature was irregular, which could compromise the product quality. On the other hand, as the time of product exposure had not been significant and, therefore, there was a real possibility that the goods would be within the specifications, the decision she had to take was whether to risk distributing it or not. She decided to warn the client, but the motive that led her to this verdict is quite revealing. Her decision was influenced by her family history, as a dear family member had had cancer. This fact, for the president, had an impact on her decision. 'It's a question of ethics whether or not you put the product on sale when you know it might not be good. So, I decided not to even consult the shareholder: I warned the client. Why? Because if that product loses stability, hundreds of people with cancer could be doing chemotherapy with no effect. As I have already had cancer cases, including with my son, that touched me in a very personal way. I said: "It could be my son who is there taking medication that could be bad!" (A8 – President of a logistics and transportation company)

The emotional appeal, illness in the family, led the president to face the situation without hesitation, placing her position at risk. 'It was emotional. Purely emotional! But I said: "I cannot give up on this" [...] And then the product was tested and [it was verified that] the product had not gone bad. That product was sold and everything was fine. And I sleep peacefully to this day. If I hadn't said anything, I don't know if I would. So, are you going to say to me: "You made a mistake?" I don't know, but I sleep very well. I was slaughtered by the shareholders'. (A8 – President of a logistics and transportation company).

If political competency deals with how decisions affect people, then rationality itself leads to the decision to declare the state of the goods. This president is the same person who had to negotiate overtime with the truck drivers. Comparing the events presented by the manager, not paying overtime is an acceptable decision, but leading human beings to risk is not. There are fine lines that separate the decision to risk one's job.

In this setting, where the focus of manager action is the clients, the shareholders, the results, what meaning do managers give to political competency?

Political competencies; in search of the meaning of action

Competency is revealed by the continuous and not merely sporadic capacity to respond to events (Zarifian, 2001). No balance is constructed with occasional actions in times of crisis or simply meeting the demands of the most relevant SHs for the organization. So, what is this competency in managers' perception? What does it presuppose?

When we are asked to reflect about the meaning of political competency, managers' difficulty in discussing the subject is evident, revealing that there is no prior planning around the theme, which in turn shows that this capacity is on the agenda of concerns of managers or development programs. They sometimes assume that they do not have this competency, or even that the SHs were never an object for reflection. 'I never stopped to think about his theme, I never sat down to make my stakeholders map, to first ask myself and then develop a strategy of how to deal with, approach, satisfy, calm my [laughter] stakeholders'. (A9 – Human resources director, equipment business). 'I think the publishing business is a case of relationship incompetence, it's a case of total incompetence and I can say this openly. We are very bad at relationships, really incompetent, we are not concerned with our public, in minimally forming alliances'. (A4 – President of an international media company)

For the managers who were able to present a reflection, in their lines of discourse, this competency presupposed the capacity to look beyond the most visible and superficial aspects of the SHs. They understand that it is about being able to listen to and understand the desires of others and to understand what forces operate behind the manifestations of these desires. They refer, thus, to the ability to interpret the environment based on the analysis of SH movement. 'I think the first thing to be able to manage expectations, first [...] to know how to hear the other person, to know how to listen, you have to understand the forces, where things are heading. You have to interpret the environment, what each of these people really wants from their company and be able to give the appropriate return, be able to give an answer'. (A1 – Financial director of a multinational financial institution) 'You have to know how to listen, understand the moment that stakeholder is in. It's the guy who is able to understand the moments of each of his stakeholders, he's able to or he tries to identify them as clearly as possible'. (A12 – Financial director of an international bank)

The ability to anticipate demands was another aspect highlighted. Here it is a case of going beyond the reactive attitude, as shown by the speech below: 'I think it has been working pretty well, this thing of listening to the client, what the disturbances are. And

the second most important thing is to generate as little surprise as possible, to anticipate'. (A7 – President of a multinational financial institution)

Given that balancing SH interests is not an object of systematic reflection, it is unlikely to develop into a political competency, as it does not go through a continuous learning process capable of propelling politically-competent actions.

Final considerations; political competency under debate

The importance of the political dimension of managers' competency cannot be denied, but also, we must not be naive about what we expect from a manager who lives immersed in a society which is in itself conflicted, unequal and full of power asymmetries. In isolation, the company and its managers cannot correct historical and cultural distortions. No matter how virtuous directors and presidents may be, they do not escape the structural constraints in which they are immersed. Such an observation, however, is not a justification to give up on or escape finding better solutions to confront the contradictions of the corporate world. How, then, to develop this capacity for confrontation in the search for answers to questions of a political nature?

The research results lead to some central reflections. Firstly, the study supports the need to strengthen the competency debate from its political-societal perspective. This, in its turn, implies discussing the question; if it is possible to develop competencies, then with what purpose will this process be conducted? **In other words, what competencies do we want?**

Secondly, the results show that the interpretativist approach in competency may have an important contribution in placing the meaning of work as a central element of labor capacity construction (SANDBERG, 2000). This way, the question of the meaning that is attributed to the political dimension of competency must be asked.

The definition used was that of Holland, Ritvo and Kovner (1997), who state that this dimension, on the individual plane, refers to managers' capacity to observe the implications of their decision-making and develop management procedures aiming to balance interests. It can thus be considered as the capacity to create fuller and broader participation conditions, as well as the ability to confront ethical dilemmas, minimizing, preventing and fighting against power asymmetries.

The development of political competency depends on a reflection process, on the exercise of balance, which will only gain strength when managers revise the meaning they give to their relationship with SHs, changing the understanding of their political activity, as Sandberg (2006) advocates. In this research this understanding did not go beyond maintaining the status quo. What was observed were attempts to reconcile interests, in a logic that works more with the idea of allies than with SHs in the real sense of the word. Their initiatives mirror concession actions, as was observed in the attitude of the manager who donates food as a reward for a right that was denied to the truck drivers.

The CEOs studied in this research did not take on as their primary responsibility to balance interests; on the contrary, they believe that reaching results is an "alibi" that

justifies their inertia in the attempt to promote balance. They restrict the number of SHs and eliminate from the process those they consider inconvenient.

When, therefore, does an interest group become relevant to the manager? To analyze the setting and make decisions, they establish a hierarchy that follows a prioritization principle, identify the SHs involved in that specific event and restrict themselves to these. As events are constant, altering the decision-making setting, the hierarchy varies with each situation, but the hierarchization process remains the same. It can be seen, therefore, that in the context of this research, events, more than managers' values or the stage the organization is in, determine the SH classification strategy, which in its turn signals the importance of the strength of interest groups' pressure for the advancement of these relationships.

As was observed, there are few formal channels for listening to SHs and those that do exist seem to serve the purpose of "*taking the temperature*" of the environment, of preventing claims from reaching high levels, rather than implementing dialogic communication channels. With the employees, the failure of these poor initiatives such as the "*suggestion box*" and the "*open-door policy*" serve as justifications for not investing informal communication channels.

On the other hand, visits to work stations, whether on behalf of executives or their team, with the objective of listening to demands, may characterize a manifestation of competency as defined by Holland, Ritvo and Kovner (1997), as long as they were not sporadic, as identified in managers' reports, but systematic and wide-reaching.

Therefore, informality is the main choice in the process of identifying demands, which leads to a particularization of the relationships between the manager and the SHs, very far from a formal and systematic process for listening to demands as suggested by Holland, Ritvo and Kovner (1997). This dynamic, very particular to the corporate milieu, has an important connotation when political competencies are being discussed, as it does not allow space for a more consistent action which would permit effective channels for approximation with SHs to be formed, favoring collective negotiation mechanisms and guaranteeing broader participation with greater potential for balancing interests.

The results seem to state that managers do not mobilize political competencies, at least not in the way the term is being understood. They deal with the interests of certain groups only when they feel threatened. They consider SHs to be, above all, the groups or actors that affect them directly, which leads to another important reflection, that maybe SH logic is nothing more than a theoretical construct, or a narrative, with little effect on the reality of how managers make decisions and conduct their actions. The mobilization of political competency involves managers becoming more sensitive to the needs of interest groups, taking on their role as relevant social actors, from whom proactive actions are expected; they must know how to listen to demands, take into account the impacts of their decisions, be capable of creating management mechanisms more directed at collective interests than individual ones.

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**Fonte: International Journal of Management, v. 28, n. 1, p. 91-110, 2011. [Base de Dados].
Disponível em: <<http://web.ebscohost.com>>. Acesso em: 21 mar. 2011.**

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