

# Improving competitiveness essay



Although it is appropriate to link promotions, bonuses and pay increments to Knowledge workers have to be differentiated from other types of labor because knowledge workers are an investment which can influence the future of IT Plus Solutions Ltd, having the ability to directly influence productivity as well as influence the development of other workers by the sharing of their knowledge with others. Because these employees have a capability for creativity and problem solving, they bring multi-faceted capabilities into the organization. Knowledge workers in all organizations including IT Plus Solutions Ltd have knowledge and a capacity for enhancing on their knowledge base. They are better considered as entrepreneurs and investors in IT Plus Solutions Ltd.

There are many facets associated with the management of the knowledge worker, including managing core competencies, concepts, strategic capabilities, intellectual capital management as well as knowledge management. However, strategic rewarding is the current practice and it is considered to reward individuals based on the strategic objectives of the organization. When rewarding knowledge workers, there is a tendency not to be solely concerned with collective agreements, industry practices and job evaluation systems. The individual is important in knowledge based industries and can be more important than the whole group.

Although industry practices need to be considered as an indicator of what is going on, it is the organizational objectives and the competitive advantage which a knowledge worker can bring into IT Plus Solutions Ltd that is of the greatest importance. The skilled – based pay system is more appropriate for the blue collar workers and employees at the lower level of the

organizational hierarchy. This system attempts to measure if employees have attained certain skills which are regarded as being essential to do a job. Skilled – based pay systems may also be complimented with performance incentives but these systems can become too bureaucratic and rigid for the creative organization. Creative knowledge workers are better rewarded by informal systems that are based on competencies associated with being able to perform the creative tasks that are required to be accomplished in IT Plus Solutions Ltd. Such an approach is more appropriate because in creative job functions such as programming, every problem is a relatively new problem which has to be solved by using the creative abilities and knowledge of the knowledge employee.

Previous work experiences, knowledge which has been acquired and previous attempts at developing successful solutions may be an indicator of the ability of an individual to successfully formulate a solution to a problem that is required to be solved. However, each problem that is required to be creatively solved requires a fresh approach. Hence, the competency based approaches for rewarding employees attempt to consider demonstrable characteristics of individuals which enable performance including knowledge, skills, experiences, personality traits and abilities when determining the level of compensation. Rewarding as a human resource management tool should be able to support corporate strategy, create motivation, commitment, retention and knowledge sharing or dissemination. Without adequate rewards, employees may be unwilling to share their knowledge and assist with the development of IT Plus Solutions Ltd or their colleagues. Team

efforts can be assisted with appropriate reward structures which can be of benefit in the creation of collaborative groups.

Combining both competency management and rewarding is not easy, but due consideration should be given to the following (Dockel, 2003, Costigan, 2000 and Bloom, 2000): – The types of competencies that are part of an individual and how these fit with corporate objectives. – It should be ascertained if the skills that are being considered in an employee are the skills of the past, present or the future and how these skills can be built upon. – Skill development and acquisition may be assisted with a progression in pay.- Can the employee be encouraged to develop his skills horizontally, (cross skilling), vertically with progressively greater management responsibilities or at a greater depth for deeper proficiency in a skill. The corporate objectives and individual desires should be considered and reconciled. – Will new skill generation and career development be driven by the worker or the organization? – Who are the actors who can evaluate an employee's skills and competencies? Should other managers, peers, consultants etc be involved? Previous employers, life experiences and educational institutions attended should also be considered.

– The degree of formalization of the evaluation process is important. Informal methods are more appropriate because having an experienced candidate sit for written examinations or tests for a position is unlikely to provide significant information about the candidate especially if the candidate has been out of an academic institution for several years. Many highly successful innovators, creators and problem solvers do not retain all their knowledge in their brains all the time but have well developed processes for creating and

problem solving coupled with experiences which provide the foundations for a superior creativity. Most professors are likely to fail intermediate mathematics examinations if they were asked to pass such tests as a part of their selection process in a creative industry (Cohen, 1986, Chapters 1 – 9).

**Conclusion**The challenges faced by human resource managers and corporate managers when they are trying to motivate and make the knowledge worker in IT Plus Solutions Ltd deliver the creations of their mind are rather different from the challenges of managing those who work in production or routine operations.

The knowledge worker has to be happy and enjoy creative freedom within the broad aims of the organization. Compensation has to be adequate and it is important to select the relatively few who have the novel experiences and skills which can produce results. These selected few then have to be motivated by incentives, freedom, empowerment, recognition, education and team work to produce the best because there is a very competitive world out there. **References / Bibliography**Bernadine, HJ and Russell, JEA. (1998).

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