### Research on the Building and Application of the Competency Model of Enterprise Leaders

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**Abstract:** The building and application of the competency model of enterprise leaders have crucial practical values for the development of enterprises. Through the scientific definition of the enterprise leaders' competency model, this paper comprehensively and objectively analyzes the significance and main path of building the competency model of enterprise leaders, and puts forward effective strategies for the application of this model.

#### 1. Introduction

The competency model of enterprise leaders is an important criterion that evaluates the competence of leaders. It plays an essential role in cultivating the competence of leaders, selecting and appointing leaders and the future development of enterprises. The competency model for enterprise leaders has important guiding values for the rational development and the utilization of employees' competence, as well as the improvement of employees' personal performances, the promotion of team performances, the enhancement of the company's economic efficiency and the improvement of the company's comprehensive competitiveness.

### 2. Scientific Definition of the Competence Model of Enterprise Leaders

Human resource management based on competency is a hotspot in today's academic circles; its connotation is to manage the resources of staffs' competency, including the rational use and the effective development of the resources of staffs' competency. [1] The competency model can produce important impacts on individual performances, team performances and the performance of the whole enterprise organization. It is essentially a competency structure, which takes over a specific position or plays a certain role. With the aim of achieving performance standards, the model is designed to be composed of a set of necessary competency elements. Leadership competence is the matching degree of managers and job requirements. [2] As a special type, the competency model of enterprise leaders is built based on the overall strategy of enterprise development. It fully considers the organizational culture, industry features and the hierarchical characteristics of occupational positions, clearly points out the roles and specific personality characteristics of leaders in the development of the whole enterprise, and scientifically analyses and evaluates the role characteristics and individual behavioral abilities required by leaders in different levels and positions. The necessary competency characteristics mainly include six aspects: cognition, service, management, influence, achievement and personal characteristics. Competence characteristics can not only be carefully observed and accurately evaluated and measured, but also be positively improved. At the same time, competency can also be closely related to the overall performance of the enterprise. It can effectively distinguish, classify and select employees with average and excellent performances, accurately analyze reasons for different performances, and puts forward scientific and effective measures to better serve the requirements of enterprise development.

### 3. The Significance of Building the Competency Model of Enterprise Leaders

The analysis of leadership competence is helpful to discover the competency characteristics that

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leaders need to possess, and to evaluate leaders objectively and effectively. [3] The competency model of enterprise leaders is the inherent demand of enterprise development. It can directly affect the operation and performance of the enterprise. It is the objective need of enterprises to promote the reform and industrial restructure, and to realize the sustainable development. The leader competency is a special human resource capital, which is an important human resource which supports the healthy and substantial development of enterprises. The construction of the competency model of enterprise leaders plays an important role in perfecting the organizational structure of enterprises, improving the management system of enterprises, improving the business model of enterprises, cultivating the comprehensive qualities of leaders and improving the comprehensive benefits of enterprises. With the leader competency theory as its main research content, this model scientifically explores the construction principles, objectives and steps of building a leader competency model, and objectively points out the basic competencies that enterprise leaders should possess in the new era. This model plays an important role in strengthening the internal management of enterprises, improving the economic benefits of enterprises and promoting the rapid development of enterprises. This model is built based on the characteristics and competitive advantages of Chinese enterprises. It considers the important role played by the competence of enterprise leaders from various angles and in all directions. This model provides an important theoretical support for the human resource management of enterprises in the new era, and the important scientific basis for the cultivation, selection and appointment of enterprise leaders. It is helpful for the improvement of leadership. The model also provides an important theoretical reference for improving enterprise management methods, optimizing enterprise management modes and improving enterprise market competitiveness. It can effectively promote the leapfrog and considerable development of enterprises.

### 4. Main Paths of Building the Competency Model of Enterprise Leaders

The leadership competency refers to the ability of leaders to complete leadership tasks, which has structural, hierarchical and dynamic features. [4] Therefore, the construction of the competency model of enterprise leaders should always follow the principle of keeping pace with the times, and adhere to the actual situation of enterprise operation and industrial development. The enterprises should earnestly summarize theories and actively carry out practical data analysis, so as to clarify the post responsibilities and task objectives shouldered by company leaders, scientifically distinguish various elements of the enterprise leaders' competence, accurately identify the essence of the leadership competence spirit and strive to construct a new model of the competence of Chinese enterprise leaders. Generally speaking, the building of this model should be scientific follows the basic principles of objectivity and practicality. Among them, objectivity plays the most basic role in the building of this model. It insists on taking basic facts as the main basis of research and making scientific judgments on the basis of research contents, processes and results. In the research of model construction, we need to rigorously follow scientific theories, accurately understand their connotations, firmly grasp the basic characteristics of the research object, and correctly use scientific methods in data statistics and analysis, in order to ensure the accuracy and effectiveness of the research content. The construction of this model not only accurately summarizes the basic qualities and post competencies of enterprise leaders, but also continuously meets the basic needs of contemporary enterprises in human resources management, which fully reflects the practical values and guiding significance of the theoretical model. The construction of this model mainly includes three steps. Firstly, on the basis of collecting and sorting out scientific research materials, we need to carefully summarize and analyze the main responsibilities and roles of enterprise leaders. This information can lay a solid theoretical foundation for the building of this model. Then, through observing the specific behaviors of enterprise leaders, and consulting experts and scholars from government organs, scientific research institutions and social sectors, we should earnestly collect and summarize the qualities necessary for enterprise leaders. Finally, enterprises should actively carry out surveys through issuing questionnaires, and use scientific methods such as the reliability analysis, the validity analysis and the factor analysis to accurately study the

### 5. Strategies for the Effective Application of the Competence Model of Enterprise Leaders

# 5.1 Improving the level of human resources management based on the overall strategy of enterprises

The leader competency model is built based on the overall strategic objectives of enterprise development. With the human resources strategy as its pillar, it makes the competency of leaders run throughout the day-to-day management of human resources. It can help leaders to constantly improve their management abilities and levels. Now the market economy is rapidly developing and changing. Enterprise leaders should re-examine strategic plans and key tasks timely according to the instantaneous changes of the market, adjust the overall and partial strategic objectives from time to time, so as to match the post responsibilities with the roles of employees, and continuously improve the competence of employees. Through these measures, employees can be better qualified for their posts; the objective demands of current market economy on enterprise development can be met effectively. The competency model of enterprise leaders redefines the basic qualities and leadership abilities that leaders should possess, and puts forward a more comprehensive and accurate definition of leadership competence. It guides leaders to give full play to the art and charm of leadership in practical work. Leaders need to objectively find out the existing gaps in actual work, scientifically summarize the causes of problems, and put forward feasible proposals. The model can scientifically evaluate the actual effects of competency on work. In the daily management of human resources, leaders should make a scientific comparison between the expected evaluation results of competency and the expected results of employees, find gaps and shortcomings in the light of the expected objectives of enterprise development and the current actual situation, formulate effective improvement measures, and guide employees to improve themselves through business training, continuing education and job promotion opportunities. Through these measures, leaders can match job responsibilities with personnel capabilities, and ultimately achieve the expected goals of employee competency, so as to truly achieve the differential management of human resources.

### 5.2 Objectively analyzing the needs of enterprises and adjusting the mission objectives and deadlines

Under the influence of the competency model of leaders, leaders should proceed from the actual situation of enterprises, and adhere to the principles of reform, innovation and seeking truth from facts. They need to objectively analyze the actual needs of enterprises, and accurately analyze the future development trend of enterprises in the light of the actual development situation. In view of the existing problems and shortcomings, enterprises should actively improve working methods and adjust the goal of future development, and reset the deadline of tasks, so as to achieve the expected working goals and the long-term plan for the development of enterprises. Enterprises should objectively predict the results of performance appraisal according to the matching status of job requirements and personal capacities. The employees' competence should also be appraised and evaluated more carefully. Through deeply digging and thoroughly excavating employees' behavioral motivation, personality needs, self-roles and quality characteristics, the enterprise can achieve the development goals of business strategy to the greatest extent. Enterprise leaders should adhere to the principle of being different from person to person and guiding according to circumstances. Combining with the actual performance of each employee, leaders need to accurately evaluate their advantages and disadvantages, scientifically predict their development potentials and promotion space, and formulate reasonable personal training plans and career development plans. Through establishing a complete set of talent incentive, retention and evaluation mechanism, the enterprise can objectively assess the future development prospects of employees, and effectively enhance their senses of social mission and work responsibilities. The professional ability and professional skills of employees, as well as their personal ability and comprehensive quality can also be improved, so as to provide an important human resources guarantee for the future development of the company.

# 5.3 Strengthening post performance management and giving full play to the incentive role of the competency model

The leader competency model is a dynamic management process of an enterprise. It can objectively evaluate the performance of employees, provide feedback the performance of employees, guide enterprise leaders to actively improve management methods, broaden the path of performance management, and enhance the effectiveness of management on job performance. Especially on the daily operation and personnel management, enterprises should take the actual development situation as the basic foundation, formulate scientific annual management objectives and annual work plans, clarify the key points and operational priorities of annual work, and establish long-term strategic plans for the development of the company. Enterprises should improve and perfect different types of target management system, and closely monitor the progress. The enterprise should also build an accurate target monitoring system, and establish a complete performance appraisal and evaluation system. Through the feedback of employees' performance, the company can conduct performance guidance scientifically and accurately, and strengthen the evaluation of performance management effectively. Enterprises should rationally link the performance of employees with their salaries, and timely carry out training programs to improve employees' professional ethics, vocational skills and professional capacities. Through the key employee training plan, the company can train a team of key staffs with strong political qualities and professional abilities. The enterprises also need to scientifically use the results of performance management, objectively evaluate the operating conditions of the company and the performance of employees, and comprehensively promote the operation of the company and improve the human resources management. Enterprises should strengthen job performance management, guide and formulate complete and detailed personal development plans according to the actual situations of employees, actively carry out the evaluation of personal objectives, scientifically evaluate the core and professional competence of individuals, accurately evaluate the post adaptability and performance ability of employees, give full play to the incentive role of the competency model, and constantly help employees to improve their personal qualities as well as the comprehensive abilities. Then employees will trust the enterprise and achieve better performance.

## 5.4 Adhering to the people-oriented principle and objectively evaluating the performance of employees

The application of the leader competency model should adhere to the people-oriented principle, attach great importance to the social values of talents, actively promote the effective matching of personal competence and post responsibilities of employees, and fully realize the great contribution of employees to enterprises. Since the personal abilities of employees play a key role in the operation and development of enterprises, enterprises should skillfully integrate post responsibilities and human resources management, and establish perfect systems of talent selection and development, as well as the training incentive and the performance appraisal mechanism. Enterprises need to formulate talent training objectives and talent training plans, improve the talent selection and incentives system as well as the career development plans, and broaden promotion channels for staffs. Then the enterprise can accurately inspect the working conditions of employees and objectively evaluate their performances, so as to realize the sustainable training, the daily management and the scientific development of employees, and fully mobilize their career development potentials and enthusiasm. Then employees can be better qualified for their own work. At the same time, through the effective evaluation of various performance indicators such as the salary, the core competence, the professional proficiency and the comprehensive quality of employees, the company can accurately evaluate the economic and social values created by employees, scientifically and objectively reflect their performances and achievements, improve their professional proficiency and practice levels, enable employees to maximize their values and comprehensively enhance the economic and social benefits of the company.

#### 6. Conclusion

To sum up, under the influence of the competency model of enterprise leaders, enterprises should adhere to the people-oriented principle, objectively analyze the development requirements from the overall strategy of the company, constantly strengthen the management of post-performance, give full play to the incentive role of the competency model, accurately and objectively evaluate the performance of employees, and actively adjust the objectives and deadlines of tasks. Enterprises also need to improve the level of human resources management, truly enhance the market competitiveness and the economic efficiency of the company, and then promote the healthy and rapid development of enterprises.

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