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The effect of the practical competency management process of the human resource in achieving overall efficient performance in light of the knowledge economy (Case of Food Industry Institutions in Northeastern Algeria)

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***Abstract*---**The study aims to clarify the Impact of competency management process in attainment of Overall performance efficiency in food industry institutions in northeastern of Algeria until it elevate to the requirements of the knowledge age, and until we get the expected results from the study, a questioner was distributed for 87 institutions for the purpose of collecting and analyze data by using SPSS 24 program and has been recovered 71 questioner, with 80,61 percent of recovered, where the descriptive analytical method was used to cover the theoretical aspect of study and the field study was used to extrapolate and analyze factual data. The results of statistical analysis showed that there is a medium Impact of competency management more precisely the dimension of competency development in the institutional performance but it does not elevate into the challenges of the modern era, which is why food industry institutions in northeastern of Algeria must adopt modern management practices specially the competency management process.

***Keywords*---**Competency Management, Overall Performance Efficiency, Knowledge Age, Food Industry Institutions in Northeastern of Algeria.

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JEL Classification: M12, M15, M19.

1. Introduction

Many researchers and practitioners in the field of management and business administration, during the last decades and since the end of the 1980s, the need to give utmost importance to the human resource as intellectual capital to be invested to give the institution a milestone where it is relied upon to achieve excellence in performance and competitiveness under conditions of uncertainty. The world is witnessing rapid transformations in all fields of life and a growing scientific and technological revolution , that has touched all sectors and pushed for a new economic era that is completely different from what was previously known, as it was based on knowledge as an inexhaustible and staggeringly increasing and gives the institution privacy and excellence in terms of it is not imitatable and exists among individuals in its implicit and explicit nature represented in knowledge, experience and diverse skills. Therefore, the institution that wants to stay and compete in a world of great turmoil and acceleration and knows an increase in the number of approved patents and innovations, must show strategic flexibility and adapt itself to emerging situations and develop sound rules and practices for the process of managing its competencies to ensure outstanding performance that allows continuity in the age of knowledge.

Therefore, it has become imperative for the economic institution in Algeria, especially food industry institutions, which knows a kind of underdevelopment, and in view of modern global trends and in light of the knowledge economy, to urge the pace in this direction, relying on the development of its competencies and skills represented in its pivotal human resources, according to what was mentioned earlier, the problem of the study revolves around the following:
To what extent does the process of competency management as a modern strategic practice contribute to raising the efficiency of the overall performance of the institution according to the determinants of the knowledge economy in the food industry institutions of the northeast of Algeria?
In order to answer the main question, a number of sub-questions must be asked as follows:
What is the exact definition of the term competencies that is relatively recent in the field of management and business?
What is the process followed to identify the required competencies and skills, evaluate them and then develop them?
What indicators reflect the feasibility of developing competencies to increase performance in the age of knowledge economy?
To what extent do the food industry institutions of the northeast of Algeria rely on developing the competencies and skills necessary to raise performance and keep pace with the requirements of the knowledge economy?

The objectives of the study

The main objective of conducting this study is to reveal the extent to which there is competency management at the level of the economic institutions of the Algerian food industries , and whether the competency management has an impact on performance in light of the challenges of the knowledge economy and whether the practical practices adopted reflect the awareness of the managers of the need to take care of the intangible resource, which is a key to ensuring survival and excellence in our current and future era without dispute.

The importance of the study

scientific Importance of study results: The importance of the study is highlighted by addressing the issue of competency management as a relatively new concept for the food industry institutions in the northeast of Algeria, according to the researchers' knowledge as there is a weak interest in thecompetency management and a lack of awareness of their importance in the modern era.

Practical Importance of study results: Help institutions to adopt at the age of knowledge and technology and improving the performance of institutions under study and granting it excellence, and this is what is seen in the majorcompanies that have adopted competency management as an explicit strategic approach.

Hypotheses of the study: The main hypothesis of the study was as follows: The main hypothesis (H1): There is a statistically significant relationship for the competency management on the overall efficiency performance in the institutions under study.
The main hypothesis gives rise to the following sub-hypotheses:
There is a statistically significant impact relationship to the process ofanalysis and determining competencies to raise the overall efficiency performance in the institutions under study.
There is a statistically significant impact relationship of the competency assessment process on raising the overall efficiency performance in the institutions under study.
There is a statistically significant impact relationship of the process of developing competencies on raising the overall efficiency performance in the institutions under study.

Methodology of the study: The descriptive analytical approach was adopted as it is the most appropriate to review the pre-existing concepts of competencies and skills and how to manage them, as well as the characteristics and stages related to their management , and to indicate the relationships and correlations between the various elements , the field study method was also adopted to examine the reality of competency management in food industry institutions in northeastern of Algeria , through the use of various tools such as interview, observation and questionnaire to collect the necessary data and process them andproduce results.

The axes of the study: We will work to take note of the subject to follow the following research steps
The process of assessment performance at the level of the institution, concepts and models.
Competency management as a conceptual prelude.

2. The process of assessment performance at the level of the institution, concepts and models

The concept of overall performance efficiency :

The new data in today's world of globalization, knowledge economy, innovation and technology , are all factors that have an impact on the performance of the institution ,financial measurement is no longer considered only with its metric tools such as profits and return on invested capital, sales growth or the value of shares , which are based on knowing the performance on the results previously achieved in determining the success of the institution and achieving its goals(Bergeron, 2002, p. 01)it is not only looking for immediate profit but also has medium and long-term goals that ensure its survival in the field of business for as long as possible , as the concept of performance in relatively stable situations in the past is not the situation of today, which is witnessing global competition and liberalization of markets and e-commerce and growing the importance of skills and experiences where the situation is very complex and volatile and requires monitoring to manage so that information about performance is transferred to the decision-maker and to assess the different situations and take the necessary corrective action(Kaplan et Norton, 1996, p. 19) , which also requires to know the extent to which the objectives are achieved and embody the strategies more openness to the concept of overall performance includes new variables that were not taken into account , so the performance evaluation process includes financial and non-financial standards, both quantitative and qualitative , in order to achieve the principle of comprehensiveness in controlling and interpreting the overall institutional performance(Salgado, 2013, p. 2).

Define performance as:

First : a multidimensional term because the issue of determining it is due to the perception of who is based on it, which is a complex term and difficult to define and includes indicators for measurement, performance or performance evaluation is a formal report, that is it appears in the reports of the institution and its lists approved by it to be a basic reference and to be used by decision-makers and various stakeholders , to record and express the result achieved for a specific period compared to what is planned(Salgado, 2013, p. 1)

Second: Performance was also defined by **Marion & al (2012)** as in the world of the institution, performance is the result of action and work , and the success of work ,and starting from obtaining the result (Hana and Houari, 2021, p. 449) , that isit represents multi-faceted performance, that is economic performance, financial performance and operational performance at a time when one type of performance may be satisfied in other cases such as financial performance.

Third: The institutional performance is based on the results achieved for a specific period of time by the various departments and functions of the institution, whether as individuals, as groups and teams, or at an organizational level, which reflects the efforts exerted to implement the previously developed plans.

Performance measurement models

The performance measurement process is resorted to through performance indicators, which take the quantitative nature that accurately determines the status of the institution at an earlier time, it represents an indicator for the institution to modify its status after identifying the defects. There are also other non-quantitative indicators related to the relationship with customers and their level of satisfaction represented by new customers and maintaining existing customers, there are also other indicators related to internal processes and human resource developments, which all reflect the performance of the institution within the specified deadlines, so there are two most common models as follows:

Balanced Score card:

The Balanced Scorecard , also known as the dashboard , was first introduced by Kaplan et Norton in 1996 as a tool to evaluate strategy and its effectiveness by translating it into a set of financial and operational indicators according to four levels of institutional performance measurement: financial results , customer satisfaction , internal processes , and organizational learning(Serehane and Talbi, 2015, p. 4)

The balanced scorecard model explicitly reflects the urgent need to know the status of the institution and whether the approved plans and strategies have achieved the specified objectives or whether there are imbalances, eitherby increase or decrease, to be reviewed by the institution's decision-maker and through which the course is corrected. Therefore, the dashboard is an effective means to monitor and control institutional performance by redirecting it towards real goals according to changing circumstances. However, the deficiency faced by the balanced scorecard is related to being directed towards financial results only because it considers that the rest of the levels or operational indicators are only a meansto achievethe goal of financial performance.

Malcolm Baldrige Model:

The Malcolm Baldrige National Quality Award was established in 1987 by the United States Department of Commerce to help institutions evaluate their improvement efforts, diagnose their performance management systems, and identify their strengths and possible improvement opportunities so that they can increase their competitiveness, this model was created to display a quality standard that is distinguished and also to help institutions achieve a high level of performance(Wilson and Collier, 2000, p. 1) . The Malcolm Baldrige National Award is received through an evaluation process based on 7 criteria: leadership, strategic direction, customer orientation, quality and operational results, information and analysis system, human resources management and development, and operations management according to the following form.

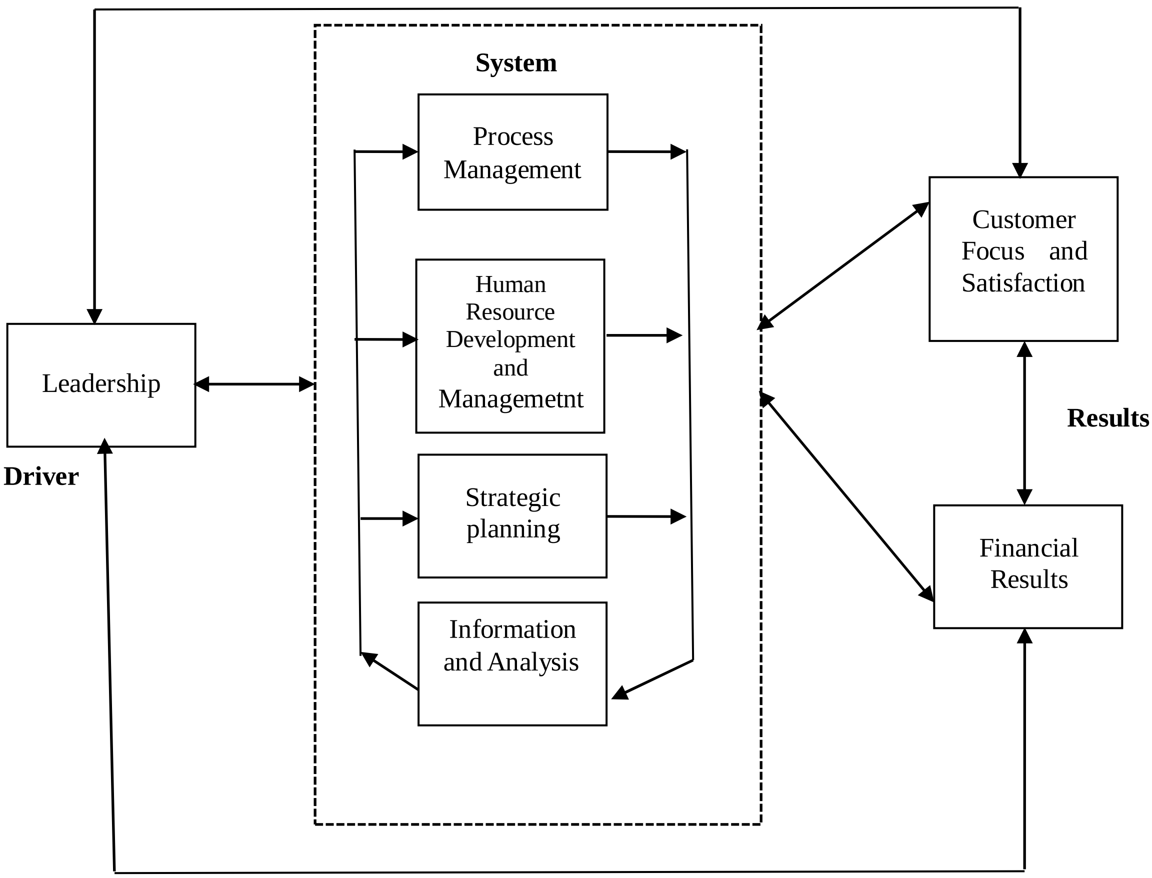

Figure (01): Malcolm Baldridge National Quality Award Criteria
Source: An Empirical Investigation of the Malcolm Baldrige National Quality Award Causal Model 2000, P3

3. Competency management as a conceptual prelude

Preamble : The challenges of the modern era represented in the globalization of the economy, global competition and the knowledge-based economy have made the possession of knowledge alone in the form of individuals with experience and skill or even in the form of machines, technologies and programs insufficient as they are available to all and do not constitute a factor of excellence for any of the competitors, hence the importance of adopting a management of these competencies that allows opening the way for the institution to have a competitive advantage in a world where there is no place for randomness in management.

Definition of competency management :

Definition of Competency: The term competency is defined as a difficulty in determining, despite the multiplicity of studies and different disciplines that dealt with this term by analysis and definition(Coulet, 2016, p. 10). At the beginning, it is necessary to distinguish between the term competency and the rest of the terms that are close to it and commonly used in an inaccurate manner, as there is a difference between competency, ability and effectiveness, there is also a difference between abstract knowledge, skills, experiences and behaviors, which preoccupies us with identifying and adjusting these terms to find out the formula through which theoretical knowledge turns into skills and experiences that are applicable in dissimilar circumstances requiring intelligent and systematic behaviors.

Capabilities are the knowledge and abilities of the individual to read, write, and use computers, networks, various devices, equipment, and other physical and mental abilities that make him able to perform a task or set of tasks, accomplish what is required of him, and finish a specific job.

The term **effectiveness** is a term commonly used in the field of management and is related to the ability to complete tasks and make decisions as planned in advance , and in line with the resources and capabilities of the institution where there is no gap between what it owns and what it plans to accomplish.

Competence is the possession of knowledge in its abstract form in a field and the ability to employ that knowledge in specific contexts and in different circumstances (Loufrani-Fedida, 2008, p. 74)in which it is difficult to accomplish those tasks where the individual behaves to overcome those difficulties and make him able to achieve his goal and accomplish the tasks assigned to him.

Defelix defines Competency as a comprehensive definition that applies to individuals as well as to teams and to the efficiency of the key or strategic organization as the integration and reconciliation of different resources such as information, knowledge, tools, skills, organizational routine, organizational culture, and others in a situation that makes it possible to achieve the objectives set.
As defined by **Guy Leboterf**, it is a combination of knowledge, skills, experiences and behaviors used in a specific format, and it varies between yesterday and today as a result of changing circumstances(Le Boterf, 2002, p. 1). The individual's competence does not stop at having knowledge and skill, but must go beyond that to include the ability to employment those knowledge and skills in difficult and different situations.

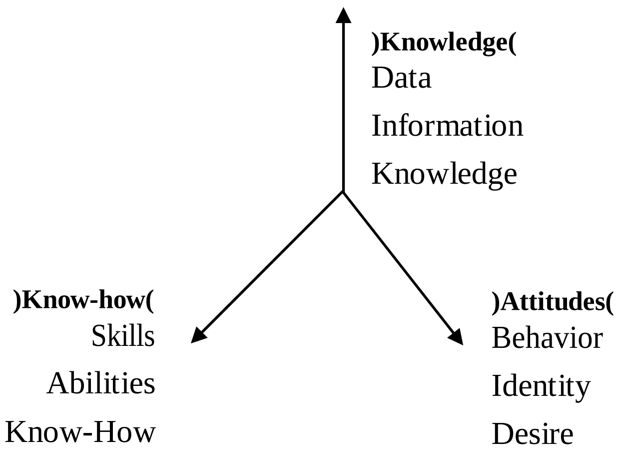

Figure (02): The three dimensions of Competency
Source: Strategic Flexibility: Managing in a Turbulent Environment Strategic, page 318

Definition of competency management: Based on the definition of competence, the competency management process represents the set of activities and steps that allow the institution to acquire, motivate and organize competencies within the needs of the institution, taking into account the rest ofthe considerations of the objectives, strategies and technical means when developing competencies(Le Boulaire and Retour, 2008, p. 3), it is an organized and continuous process aimed at serving the overall strategy of the institution and achieving competitive advantage by relying on the approach of resources and competencies and more accurately on the human resource and the intangible resource and investing in the resource Intellectual and cognitive, which falls within the non-material resources of the institution, and according **Zarifian** (2005) to the management and development of skills constitute the link between the strategy of the institution and the organization of work, in other words, the expectations associated with employees (Zizzo, 2019, p. 3), which are a series of successive and orchestrated operations, each of which is closely linked to the other, so that abandoning or amputating any aspect of it leads to the disruption of the process in its entirety, and it is preferable to develop a department of its own that includes higher and specialized frameworks and has a close relationship with the inputs and operations of the institution and the survival of the institution and the quality of its outputs, as it does not He enriched the human resource as a strategic resource.

The Management of Competencies is also defined as the group of activities directed at exploiting and developing existing individual and collective competencies, or attracting them if the organization does not have them in the context of achieving the mission of the institution and improving the performance of employees(Souleh, 2017, p. 8), as the processes of managing competencies are not an objective in themselves, It is a means to improve the enterprise's overall performance and gain competitive advantage under knowledge economy conditions. The process of controlling the management of competencies is based on a series of stages that we review as follows:

Stages of competency management

Analysis of the required competencies: The process of collecting information within the institution about the functions and tasks, which is key inthe progress and embodiment of the objectives and strategies for which the institution exists, as it represents the first step in the framework of detecting the existence of the competency gap and working to fill it, This is done in several ways, such as the questionnaire about the function and the competency map, as well as the interview(Souleh, 2017, p. 13). Department and sections explain and reflect the resourcesand capabilities required and allocated to accomplish the tasks, as each function or job requires various knowledge, experience and behavioral capabilities in order to accomplish the tasks effectively. It is a necessary and prior step to subsequent steps in order to determine the skills on which the job is based, evaluate it and decide on the quality of the qualification that will be allocated to it, as it represents from a methodological point of view a measure of the rest of the subsequent steps.

Determining the available competencies and polarization: This step aims to count the real competencies that the institution possesses in exchange for the actual competencies required by the job or task , and work to renew and restore them, which must target the required efficiency and the missing skill thatthe institution does not have without increase or decrease so as not to attract additional costs(Bernard Martory and Daniel Crozet, 2016, p. 43).
In the process of polarization, the institution takes into account, along with the requirements of Filling the job, in what is available in the labour market and so are the goals and interests of applicants to obtain the job so as to maximize the benefit of the recruitment process.

Competency assessment process: This stage is very important as it is considered the cornerstone in achieving the future goals of the institution and the objectives of its general strategy, and it is a pivotal stage between what the institution is today and its vision of what it wants to be, based on investing in human capital and identifying gaps and shortcomings of competencies to work to compensate for them compared to what is required by function or jobs, and among the most common methods of evaluation we mention (Souleh, 2017, p. 16.17), evaluation center, annual interview for the activity and Field accompaniment.

The process of developing competencies: After determining the requirements of the job in the institution and attracting the necessary competencies to assume the job or task, the evaluation phase comes to determine the training programs that work to bridge the gap between what is available and what the institution seeks to achieve by increasing the capabilities and skills to perform tasks. Continuous training in the institution is an opportunity to obtain exceptional skills that the institution is unique in possessing and distinguishing from its competitors(Loufrani-Fedida, 2008, p. 56), an indicator of the institution's will to adapt to the conditions of its renewable environment constantly, especially as it faces the challenge of accessing the knowledge economy, information and communication technology, and advanced new technology in an additional step to become a modern institution.

4. The relationship of competencies management with increasing the overall efficiency performance in the institutions of the food industry in the north-east of Algeria

General methodological framework:

Community and Sample of Study: The study community identified food industry institutions in the north-east of Algeria, where approximately 89 small- sized and medium-sized institutions specializing in the food industry were targeted, varying between the manufacture of different types of food products and
71 valid and complete questionnaires were recovered which represent 81, 61 percent recovered questioner, while 18 were incomplete or unsound.

Tools of the study: The electronic and paper questionnaire tool was used in collecting data, which was mainly distributed to the managers or owners of these institutions, direct and corresponding observation was also adopted in some cases in order to scrutinize and confirm the information obtained from some of the targeted institutions in order to take note of the actual situation of the studied phenomenon, and these data were processed using the SPSS 27 program
Several previous studies were relied upon in building the questionnaire:
As a doctoral thesis, Makdoud Wahiba, 2015/20116, specializing in management sciences, "The method of management with competencies as a new administrative orientation to achieve competitive advantages in the organization, a case study of mobile phone institutions in Algeria".
And a doctoral thesis for, Abu al-Qasim Hamdi, 2011, specializing in business administration,"Strategic Development of Human Resources Competencies in a Knowledge-based Economy, Case Study of the Maintenance Directorate (Sonatrach) in Laghouat.
Conference article, Talbi and Sarhan, 2015, "Amélioration de la performance par la mise en place de l 'approche processus et la gestion des compétences"
The questionnaire was divided into three main sections; the first section contains sample information such as: age, job and academic level. The second section contains the competency management variable, which contains four main dimensions represented in the “Analysis of the required competencies dimension”, followed by the “Determining the available competencies and polarization dimension”, then “Competency assessment process” dimension and finally “The process of developing competencies dimension”.
The third section contains the overall performance efficiency variable, which in turn contains four main dimensions: achieving financial performance dimension, then achieving learning and growth dimension, then performing internal operations dimension, and finally customer relations dimension.
Where was the “Likert” five-point scale used, which contains graded answers as follows (strongly disagree =1, disagree=2, agree less=3, agree=4, strongly agree =5) .

Spatial and time frame: The field of study has been determined in the northern-eastern Algerian food industry for each of the states of the Souk-Ahras, Guelma, Etaref, Annaba, Oum el bouaghi, Tebessa, Constantine, and Skikda. Where the period of study for the months of April and May was set at 2024.

Analysis of the results of the study:
Validity and Stability Analysis

First: After examining the validity and stability of a survey sample of 28 institutions, question (Q13) related to the dimension of competency development was excluded, The outputs of the program showed that the phrase was weakly related to the dimension of competency development, which affected the validity of the phrase and the extent to which it was related to the dimension of competency development. Then it was distributed again to the total sample, as the results of the questionnaire phrases in relation to their dimensions were statistically significant at a level of significance of 0.000 at a level of significance of 0.05
As far as stability was concerned, the program's outputs were as follows:

Table 1: Validity and Stability Analysis

Value of)Alpha de Cronbach(	Number of phrases	
0.818	26	Questionnaire stability

Source: Outputs of SPSS 27 Program

Second: Alfa cronbach value is equal to 0.818, which is a high value and indicates the stability of the questionnaire that is the resolution phrases are very stable.

Descriptive Analysis of Study variables

Table 2: Descriptive Analysis of the “Competency management” variable

Competency management variable	Dimention of Developing competencies	Dimention of competency assessment	Dimention of Identifying available competencies and the polarization process	Dimention of Analysis required competencies	
3.325	3.17	3.33	3.44	3.36	Arithmetic Mean
0.702	0.74	0.72	0.69	0.66	Standard Deviation
Less agree	Less agree	Less agree	Agree	Agree	Response

Source: Outputs of SPSS 27 Program

The summary of the outputs of the SPSS27 program, related to the independent variable represented in the “competency management”, indicates a general tendency to respond towards agreement to a lesser degree with an arithmetic mean of 3.32 and a standard deviation of 0.702, especially with regard to the two dimensions of “competency assessment” and “competency development”, which were defined as a medium response, This is evidence of the absence of real management of the institution's competencies in order to embody the vision and strategy of institutions towards survival and growth.

Table 3: Descriptive analysis of the "Overall performance efficiency" variable

Overall performance efficiency variable	Dimention of achieving customer relations	Dimention of performing internal operations	Dimention of achieving learning and growth	Dimention of achieving financial performance	
3.44	3.44	3.26	3.46	3.60	Arithmetic Mean
0.84	0.90	0.92	0.77	0.80	Standard Deviation
Agree	Agree	Less agree	Agree	Agree	Response

Source: Outputs of SPSS 27 Program

The results of the SPSS program outputs in relation to the "overall performance efficiency" variable indicate a high response with an arithmetic average of 3.44 and a standard deviation of 0.84, which is a positive result of the overall performance efficiency in its various dimensions.

Study of the correlation between variables

First - We have two hypotheses, one hypothesis is that there is no correlation between competency management and overall performance efficiency; the second hypothesis confirms the existence of the correlation as follows:

H_0: There is no statistically significant correlation between the competency management variable and the overall performance efficiency variable at the significance level of 0.05

H_1: There is a statistically significant correlation between the competency management variable and the overall performance efficiency variable at the significance level of 0.05

Table 4: Correlation between variables

	competency management	
overall performance efficiency	**Pearson coefficient**	0.618
	Significance	0.000
	Sample size	71

Source: Outputs of SPSS 27 Program

Second : The Pearson coefficient shows a high value of 0.618 with a significant score of 0.000, which explains the existence of a general relationship between the independent variable represented in the "competency management" and the dependent variable represented in the "overall performance efficiency", and this shows that a significant percentage of performance efficiency is the result of the development of competencies in the food industry institutions in the northeast of Algeria under study.

4.2.2. Study of the linear regression of the dependent variable and the independent variable

Table 5: Linear regression

Constant (a)	Level of Significance (sig)	Determination Coefficient (R^2)	Regression correlation (R)	Regression coefficient(B)
16.287	0.001	0.381	0.618	0.535

Source: Outputs of SPSS 27 Program

First: It is clear from the coefficients and values recorded in the above table, that the model explains only 38 percent of the impact relationship between the dependent and independent variables, while 62 percent of the impact on overall performance efficiency is outside this model, and the correlation relationship is shown by the correlation coefficient of 61.8 percent, so the regression equation is as follows:

y)Overall Performance Efficiency(=0.535X+16.287

Second: In order to clarify any dimension contained in the variable of "competency management", in particular, it is the largest impact on the independent dimension represented in the "overall performance efficiency" in its various dimensions.

Table 6: Linear regression model "Stepwise"

Model (Stepwise)	(R)	R-deux	F	Sig
1	,657[a]	0,431	52,271	,000[b]
2	,703[b]	0,495	33,294	,000[c]
3	,733[c]	0,537	25,951	,000[d]

Source: Outputs of SPSS 27 Program

Table 7: The Regression Equation

	Constant a	Dimension of Developing Competencies	Dimension of Identifying Competencies	Dimension of competency assessment
Model 3	21,414	1,05	1,154	-0,821
T	6,609	6,152	3,172	-2,487
Sig	0,000	0,000	0,002	0,0015

Source: Outputs of SPSS 27 Program

Third :Dimension of"developing competencies" that have the greatest impact on the "overall performance efficiency", as it shows a correlation coefficient of 0.657, which is high , and with the addition of Dimension of "determining the available competencies and polarization", we note that the correlation coefficient (R) took the value of 0.703, which is not far from the value of the correlation that preceded it 0.657, as well as for the dimension of "competency assessment", where the increase in the value of the correlation is almost very slight, where R took the value of 0.733, which explains that the main impact of the dimensions of the future variable in its dimensions in the dependent variable stems from the developing competencies for the independent variable competency management,we also note that the coefficient of determination (R2) took the value of 0,537, which reflects that the "overall performance efficiency" is only 53 percent of which stems from the "developing competencies" for the independent variable "competency management", and the remaining 47 percent is due to other factors outside the model under study.

Fourth: The regression equation for the dimensions of the independent variable and the dependent variable as follows:

(Overall Performance Efficiency(y =21.414+1.050x$_1$+1.154x$_2$-0.821x$_3$

Results and Recommendations

First: Although the statistical analysis of the study variables and according to the responses of the study sample showed the existence of some form of competency management at a low rate, represented in the training and formation processes, it did not amount to an approved and systematic process for the competency management in the food industry institutions in the northeast of Algeria.

Statistical analysis using the SPSS27 program also showed that 62 percent of the "overall performance efficiency" is due to other reasons outside the studied model, and that only 38 percent is the result of the competency management process represented specifically in its dimension related to the developing the competencies, which is a routine process carried out by most institutions outside the framework of any studied or verifiably approved strategy.

Second: Accordingly, the Algerian institution specialized in various food industries in the northeast of Algeria must do the following:

1. To adopt modern management practices and intensify its cooperation with specialized institutes and centers inside and outside the country in order to conduct a change management process that leads to understanding and adopting new concepts
2. It should also change its outdated vision and convictions about the human resource as a tool for production and management only and its belief that muscular effort alone with the abundance of machinery, modern equipment and abundant liquidity can increase production and maximize profits.
3. Developing a new flexible structure that allows the creation of a climate conducive to cooperation, exchange of knowledge and cross-fertilization of ideas in order to open the way for intellectual and innovative minds to innovate

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