

Implementation of Competency Management in Economic Enterprises: Challenges and Opportunities.

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Abstract:

Skills management within organizations is crucial for enhancing performance and maintaining competitiveness. It requires a proactive and strategic approach, integrating quality standards, sophisticated technological tools, and collaboration with academic institutions. However, sociological analysis reveals power and social stratification issues, as well as the importance of collective and cultural dimensions. In summary, skills management is vital for the success and sustainability of organizations in an ever-evolving competitive environment.

Keywords: Skills management, performance competitiveness, sociological approach.

INTRODUCTION

Human capital today constitutes a fundamental pillar in the development of the economic, social, and even political environment of society. In the world of work, human resources progress in a rapid, diverse, and interdependent manner within an environment characterized by competitiveness, scarcity, and precariousness.

Organizational and institutional changes bring about relational changes within organizations. While changes in production methods may be convenient, it is assumed that relational changes are somewhat complicated because the former demand and require flexible, rapid adoption and adaptation compatible with their transformations. Conversely, it is observed that these requirements encounter difficulties in the practices exercised within organizations, leading to dysfunction that has become an obstacle to their progress and sustainability.

Human resource management has undergone successive and intense mutations in line with the evolution of production methods. As a result, it has instituted new modes of human capital management, with the aim of placing it at the center of its mutations where none can neglect or degrade its importance and value.

The imperative of flexibility and responsiveness of organizations has significantly changed the place accorded to human resources. Men and women are confronted with work situations in which they must take initiatives. "Faced with the rise of complexity and eventfulness in professional situations, the operator does not know in advance what to do and how. He must invent, reconstruct, and innovate. He must perform on the spot and instantly combine appropriate resources to deal with the event rather than rely on a combination of pre-established resources. Faced with the complexity of systems and action logics, the professional must know how to take initiatives and decisions, negotiate, make choices, take risks, react to contingencies, innovate daily, and take responsibilities." (**Boterf, 2001**).

In recent times, we have observed the emergence of new concepts affecting human resource management methods. Among these, we find competency management, which has an ambiguous meaning. (**Lévy-Leboyer, 2009**) In academic or managerial jargon, competency management, particularly in its economic context, refers to the internal management of personnel skills and capabilities within an organization.

In the dynamic context of the Algerian economy, competency management within enterprises is emerging as a major challenge, shaping organizations' ability to thrive in a constantly evolving competitive environment. Human resource competencies constitute a crucial lever for increasing productivity, stimulating innovation, and ensuring the sustainability of businesses. However, the effective management of these competencies faces various challenges in the Algerian economic landscape, characterized by structural transitions, increasing qualification requirements, and aspirations for career advancement. This article explores the issues and challenges inherent in competency management within economic enterprises in Algeria, highlighting the strategic importance of this dimension for the sustainable development of organizations.

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Faced with the rapid changes in the economic fabric of Algeria, how do businesses manage to address the challenges of competency management to optimize the performance of their teams and ensure their adaptability in a perpetually evolving competitive environment? What specific issues are encountered in this context, particularly in terms of skill development, alignment with market needs, and how can companies develop effective strategies to overcome these obstacles and promote dynamic and sustainable competency management?

1. Understanding Competency Management: Fundamental Concepts and Essential Principles:

Researchers have not been able to agree on a single definition of the concept of competence; it is the ability to take on a concrete professional responsibility and to take initiatives in a given work context for some, and a combination of knowledge for others.

According to Philippe Zarifian (**Zarifian, 1999**), competence is the initiative and responsibility taken by individuals in professional situations they encounter:

1. **Acquisition of competence:** Competence is acquired; it results from the individual's own initiative to take charge of the situation and to take responsibility for themselves in the face of that situation because commitment is essential.
2. **Taking initiative:** This refers to actions that alter the existing state. Initiatives can vary in degree, ranging from choosing a rule within a set of proposed procedures to inventing an original response to successfully tackle something unprecedented.
3. **Assuming responsibility:** This is naturally the counterpart of autonomy, but defining the scope of responsibility is essential (customer satisfaction, meeting deadlines, fostering the competence of colleagues, etc.).

As for LORINO, Ph, "Competence is the ability to mobilize, combine, and coordinate resources within a defined action process to achieve a sufficiently predefined and evaluable outcome. This capability can be individual or organizational." (**LORINO, 2001**).

In this context, it can be said that in the face of new challenges such as technological advancements, globalization and its socio-economic implications, global competition, outsourcing, demographic shifts, and more, organizations, businesses, institutions, and both public and private establishments are compelled to embrace new practices to confront these multifaceted and evolving challenges. Adopting a new approach to human resource management that goes beyond merely managing individuals based on job roles, where all activities are dictated by job prescriptions and requirements, and instead focuses on competency management is imperative (**Gilbert & Thionville, 1990**). Considering competency management as a lever for modernizing personnel management is essential. Effectively managing competencies entails ensuring optimal availability of necessary skills, at the right time and place, to outperform competitors (**Meignant, 2000**).

The management of competencies within companies, institutions, and establishments raises questions about the identification, progress, and evaluation of competencies. While human resource development embodies various aspects that are directly linked to human progress, it is the application and practices that truly test and measure its role, reliability, and consequences.

Competency management encompasses all actions taken by a company to manage its human capital and competency needs to achieve performance objectives. It involves evaluating employee competencies, training and learning, human resource management, partnerships with academic institutions, and the use of information and communication technology (ICT). Competency management is crucial for businesses as it enhances productivity, adapts to market demands, and leverages ICT to remain competitive in a globalized world. It also motivates employees, opens up career prospects, and strengthens business performance.

Based on this definition, we will present some dimensions and indicators that help us better identify and demonstrate competency management and its operational process within companies. The following table encompasses all of this data.

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Table 1. Dimensions and Indicators of Competence Management

Dimensions of Competency Management	Associated Indicators
Identification of Necessary Skills	• Analysis of Skills Needs
	• Evaluation of Current Skills
	• Identification of Gaps
Skills Development	• Training Programs
	• Mentoring and Coaching
	• Access to Learning Opportunities
Alignment with Company Objectives	• Relationship between Skills and Strategy
	• Integration of Skills into Organizational Objectives
Performance Evaluation	• Regular Assessments of Individual Skills
	• Feedback on Performance
	• Measurement of Results Against Objectives
Mobility and Succession Management	• Succession Plans
	• Internal Promotion
	• Employee Rotation

Integration of Skills into Organizational Culture	• Promotion of a Learning and Development Culture
	• Recognition of Skills within Company Values
Innovation Management	• Encouragement of Innovation through Skills
	• Integration of Creativity into Desired Skills

Source: The author of the text

The emergence of this concept is closely linked to the dynamic evolution of the world of work and how companies manage their human resources. This progressive evolution reflects a fundamental shift in the perception of human resources, moving from mere qualifications to a deeper recognition of human potential. This transition begins with the appreciation of expertise, recognizing that individuals' skills are essential assets for organizational success. Subsequently, the evolution continues towards a goal-oriented management approach, where the focus is on performance and productivity, thereby fostering a results-oriented work environment.

However, skills management marks a significant advancement in this evolution, emphasizing employees' adaptability to a variety of professional contexts and seeking to promote sustainable employability of human capital. This holistic approach integrates not only technical skills but also behavioral and relational skills, thus recognizing the complexity and diversity of talents within the organization.

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In the table below, we will present a comparison of these three management approaches:

Table 2. The different aspects of management approaches

Aspects	Qualification	Goal-Oriented Management	Skills Management
Definition	Official attestation of skills and experience	Setting and achieving specific objectives	Development and assessment of skills
Key Process	Obtaining diplomas, certifications, training	Setting goals, monitoring progress	Assessing current skills, training.
Focus	Formal validation of acquired skills	Achievement of predefined results	Continuous improvement of individual skills
Impact on Performance	Provides an objective basis for evaluating skills.. Strengthens	Guides action towards specific outcomes	individual and collective capacity.
Example	University degree, professional certification.	Quarterly sales target, productivity goal.	Quarterly sales target, productivity goal.

Source: The author of the text

Skills management emerges as the latest approach developed to enhance the competitiveness of businesses. Indeed, in an increasingly complex and competitive economic environment, companies are faced with the need to maximize the use of their human capital to stay ahead in the market. Skills management offers a strategic response to this challenge by focusing on the assessment, development, and optimization of individual and collective skills of employees.

Unlike traditional approaches to human resources management, which often focus solely on recruitment and retention, skills management adopts a more holistic approach. It recognizes that a company's strength lies in the skills of its employees and thus strives to identify the essential skills needed to achieve the organization's strategic objectives.

2. Current Challenges of Implementing Skills Management in Companies:

In the Algerian context, skills management is of paramount importance for local businesses to navigate a complex and ever-evolving economic and social environment. Diversification of activities towards emerging sectors such as agriculture, tourism, and renewable energies requires qualified and adaptable workforce. Therefore, companies invest in training and developing the skills of their personnel to meet these changing needs. By offering continuous training programs and career progression opportunities, they ensure that their staff have the necessary skills to succeed in these new areas.

Effective human resource management is also crucial for attracting and retaining local talent. By offering competitive benefits and professional development opportunities, companies enhance their ability to attract the best candidates and maintain expertise internally. This also contributes to employee retention, thus fostering stability and long-term performance of the company.

On the operational front, optimizing processes and adopting cutting-edge technologies require specialized skills. Therefore, companies invest in developing these skills within their personnel to maximize operational efficiency and remain competitive in the market. Concurrently, emphasis on innovation and collaboration with local and international partners to access new technologies and

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skills strengthens companies' ability to stay at the forefront of their sector (Traki & Kasri- Boudache, 2022).

Close collaboration with regulatory and governmental authorities reflects the importance of compliance with current laws and regulations, which can also influence the skills needs within the company. This collaboration can also open opportunities for the development of key infrastructure projects, requiring specialized skills in areas such as engineering and project management.

However, skills management within companies in Algeria faces several major challenges. Firstly, the absence of specific legislation creates a legal void that makes it difficult to establish policies and incentive measures to encourage its development. This gap can also affect the perception of skills management as a strategic priority within companies.

Moreover, the lack of recognition of skills management as a value-added cost center can lead to an undervaluation of resources allocated to employee training and skills development. Therefore, it is essential to raise awareness among companies about the strategic importance of these investments in human capital.

Insufficient development of tools and skills management practices is also a major obstacle. This is partly due to the lack of reliable data on employee skills and the difficulty of demonstrating the impact of skills management on company performance. Adequate tools are needed to assess existing skills and effectively plan their development.

Similarly, the lack of synergy between the labor market and the academic environment limits companies' ability to leverage advances in training and academic research. Better coordination between these two spheres could help bridge skills gaps and more effectively meet the needs of businesses.

The low level of skills in human resources management also represents a barrier. A poorly skilled workforce in this area can compromise companies' ability to attract, develop, and retain the talent necessary for their growth and competitiveness. Therefore, it is crucial

to invest in practical training and continuous development of human resources management professionals.

These challenges are closely linked to historical, institutional, and cultural factors that influence how human resource management is perceived and practiced in Algeria (Labaronne & Meziani, 2010). To overcome these obstacles, a holistic approach is necessary, taking into account both legal and structural constraints, as well as the specific needs of businesses and the labor market. By investing in the development of their personnel's skills and fostering a culture of continuous learning, Algerian companies strengthen their agility and ability to thrive in a competitive and ever-evolving market.

3. Emerging Opportunities in the Integration of Skills Management in the Professional Environment:

In Algeria, effectively integrating skills management has become essential for companies wishing to maintain their competitiveness in an ever-evolving market. Emerging opportunities offer strategic pathways to strengthen skills management and improve overall business performance.

Increased collaboration between academic institutions and businesses represents a significant opportunity. This collaboration can take the form of tailored training programs that meet the real needs of the labor market. It would also enable higher education institutions to better prepare students by providing practical skills sought after by employers.

The integration of the ISO 9001 standard in Algerian companies provides a structured framework for skills management. Adopting this international standard would allow companies to establish standardized processes for assessing, developing, and documenting their personnel's skills. This would promote transparency and continuous improvement of skills management practices within the organization (Arab & Lambert, 2020).

The evolution of methodologies and technologies in human resources management opens up new possibilities. Companies can now access more sophisticated tools to assess, track, and develop their personnel's skills. For example, cloud-based talent management

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platforms offer advanced features such as online skill assessments and personalized development plans.

Recognizing skills management as a central element of the company's overall strategy represents a significant opportunity. This approach enables companies to align their long-term business objectives with the skills needs of their workforce. It involves identifying key skills required to achieve the company's goals and planning corresponding development actions.

4. Practical Strategies for Effective Implementation of Skills Management in Companies:

The effective implementation of skills management in companies relies on several practical strategies that require a thoughtful and systematic approach (**Dietrich, Gilbert, & Pigeyre, 2010**). Firstly, it is crucial to identify the key skills required to meet the objectives and needs of the company. This identification may involve a thorough analysis of different positions and functions within the organization, as well as the skills necessary for each role to contribute to the overall success of the company.

Once the essential skills are identified, it is necessary to assess the current skills of employees. This can be achieved through various methods such as formal evaluations, self-assessments, peer evaluations, or discussions with managers. This assessment helps determine the strengths and weaknesses of the current workforce and highlights potential skill gaps.

Based on these evaluations, it then becomes possible to develop skills development plans. These plans should be personalized based on individual employee needs and organizational objectives. They may include various initiatives such as training programs, mentorship opportunities, special projects, or cross-functional assignments. The goal is to enable employees to strengthen their existing skills and acquire new skills necessary to meet the evolving needs of the company.

To ensure the success of these initiatives, it is important to integrate skills management into existing HR processes (**Bootz,**

Schenk, & Sonntag, 2017). This includes aligning skills management with other processes such as recruitment, performance evaluation, succession planning, and compensation. An integrated approach ensures increased consistency and efficiency in overall talent management within the organization.

Furthermore, judicious use of technology can also play a crucial role in skills management. Technological tools such as talent management systems can facilitate tracking and managing skills, as well as planning and implementing professional development programs. They also enable the collection and analysis of relevant data on employee skills, which can inform talent management decisions.

Lastly, clear and regular communication is essential to engage employees in the skills management process. It is important to provide information on skills management goals, available professional development opportunities, as well as individual and organizational benefits of investing in skills development. Open and transparent communication fosters employee engagement and reinforces a culture of continuous learning within the organization. By implementing these practical strategies, companies can optimize their performance and strengthen their competitiveness in the market.

For skills management to be effective in companies, it is crucial to implement practical and systematic strategies. This includes identifying key skills, assessing current skills, creating personalized development plans, integrating into existing HR processes, utilizing technology, and transparent communication. By adopting a thoughtful approach and consistently applying these strategies, companies can enhance their performance and competitiveness in the market. Additionally, they can promote professional development of their employees and foster a culture of continuous learning within the organization. This proactive, skills-focused approach is a powerful lever for driving innovation, growth, and long-term success for companies.

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We can summarize these strategies in the following table :

Table 3. Skills Management Strategies

Skills Management Strategies	Description	Effectiveness
Collaboration with academic institutions	Establishing partnerships with higher education institutions to design training programs tailored to the needs of the labor market.	Very effective in providing practical skills sought after by employers and in preparing students to enter the workforce.
Adoption of the ISO 9001 standard	Integrating the ISO 9001 standard into skills management processes to assess, develop, and document personnel skills.	Effective in standardizing skills management practices and promoting continuous improvement.
Utilization of human resources management technologies	Accessing sophisticated technological tools to assess, track, and develop personnel skills, such as cloud-based talent management platforms.	Enhances the efficiency and traceability of skills management processes.
Integration of skills management into the corporate strategy	Recognizing skills management as a central element of the company's overall strategy and aligning business objectives with personnel skills needs.	Effective in ensuring better adaptation to market requirements and more efficient use of human capital.

Awareness of the strategic importance of skills	Promoting awareness of the importance of proactive skills management within the organization, particularly through Workforce Planning and Skills Management.	Encourages investments in skills development and enhances competitiveness.
Recognition of skills acquired through professional experience	Offering opportunities for official recognition of skills acquired through practical experience via VAE (Validation of Acquired Experience) or skills assessments.	Allows for the valorization of employees' experience and maintenance of their skills at the required level.

Source: The author of the text

Establishing effective skills management strategies within a company holds considerable potential for enhancing its overall performance. By adopting a proactive and strategic approach to skills management, businesses can better meet market demands, optimize the use of their human capital, and strengthen their competitiveness. Collaboration with academic institutions, compliance with quality standards, the development of advanced tools and practices, and the integration of skills management into the company's overall strategy are key factors in achieving these goals. By recognizing the importance of these strategies and implementing them effectively, businesses can position their human capital advantageously to succeed in a constantly evolving competitive economic environment.

CONCLUSION

Sociological analysis of skills management within organizations highlights several essential aspects. Firstly, it emphasizes the importance of skills as a key element of organizational dynamics. Indeed, individuals' skills within an organization shape social interactions, hierarchical structures, and corporate culture.

Furthermore, this analysis highlights the issues of power and social stratification associated with skills management. Processes of selection, evaluation, and skills development can reflect and reinforce social inequalities within the organization. For example, certain skills may be valued differently depending on individuals' social status or gender.

Moreover, the sociological approach emphasizes the collective aspect of skills within an organization. Individual skills are embedded in a broader social context where interactions among organization members influence the creation, sharing, and valorization of skills.

It highlights the impact of social and economic transformations on skills management. Technological advancements, demographic changes, or shifts in the labor market significantly impact organizations' skills needs and associated management practices.

In conclusion, sociological analysis of skills management enables understanding of how individual skills integrate into broader social dynamics within organizations, highlighting the complex interactions among individuals, organizational structures, and the socio-economic environment. It also offers a critical and nuanced perspective on how skills are perceived, developed, and utilized in organizations. It illuminates the social and cultural dimensions of skills management while emphasizing the associated equity and inclusion issues.

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