



Research Article

Innovative Approach to the Human Management: What Has an Impact on Business Performance?

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Abstract

Technological and marketing skills, innovative capacity, competencies and human capital are currently the subject of increasing and frequent focus in the economic press and the managers' discourses, whereas researches and writings about management knowledge are outnumbering [6], as well as those about organizational skills [16], organizational knowledge [1], and in a more general way about the immaterial investments. This transversal theme seems to be marking the managerial and professional studies supposing that the sustainable resources which are fundamentally at the service of businesses are increasingly arranged in terms of human capital. The interest of researchers in this important component of the immaterial capital of a business, which surfaced since the beginnings of the 1990s, is due to the fact that human capital has become an essential key to the competitiveness of the business itself. In the current theoretical approaches, the intangible resources are in the core of the process of the value's creation. The increasing need of a new generation of analytical materials are experienced to assess the organizational performance from the perspective of managers, shareholders and investors just as the other interested parties [7]. Well known opinions/views argued in favor of this just like the ones by the Scandinavian group Skandia that compiled a list of the criteria focusing on human capital.

Keywords: human capital, performance, business, management.

Introduction

The former CEO of the company of Danone, Antoine Riboud had concluded his speech,

which he delivered on October 25th, 1972, by saying: "we are leading our businesses with our hearts as well as our minds, as we do not forget that if the natural resources

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earth provide us with have limits, those of mankind are infinite if he is not to feel motivated.”

This citation constitutes the subject of this article which tackles the interests in integrating the human factor as an essential key to the performance of a given business.

The concept of human capital, which owes a lot to the founding article of the Nobel Prize, was defined for the very first time in 1961 by a specialized economist in the field of development named *Theodore Schultz*, referring to the amount of competences, experiences and acquaintances.

The works of another noble prize winner named G. Becker completes, in 1964, the first definition by adding details concerning personality, appearance and reputation indicating that a business is a place of training and investing in the human capital. In recent years, the 72-year-old American Richard Thaler who was awarded with a noble prize in economics in 2017 for having illustrated through his works, which devotes a human approach to discipline, how the psychological and social mechanisms modify our economic performance.

However, the subject of human capital did not get the attention it deserves, and those definitions given to this concept seem to be usually distant from the reality to which the workers in a business are exposed, as the workers do not perceive themselves properly. This is due to the very few models that barely integrate the human dimension in the process of assessing the performance of a business.

Beginning with the idea of considering the human capital as the main generator of profit for a given business, the Swedish insurance company has built a new model which currently represents the most accomplished form when it comes to the tools of controlling that rely on the human dimension and would be in the core of the business's performance and which is called the Scandia's navigator.

Nowadays, it is undeniable that there is a real passion for the issues related to the state of well-being at work; in the sense that companies are increasingly taking actions which are in line with this idea; this is evident in competitions like the “Great place to work” or “trophies of better conditions at work”. The reasons lying behind such an interest are diverse and various: grabbing the attention of skilled people presenting benefits other than compensations that are purely financial, offering an innovative management, preserving the health of the collaborators, and strengthening teams through teambuilding games... hence, taking into consideration the state of well-being at work implies, more generally, more interest and care about the position of the human capital in business. In the same line of thought, big companies like Pepsico, Google... have already made the state of well-being one of the innovative strategic axes that are entirely a part of their general strategic policy. The policies which allow improving the condition of well-being in a business are multiple: improving the usability in the work place [10], creating classes for sports, interviewing a nutritionist, and training managers specialized in the field of socio-psychological risks...

A given business certainly has objectives regarding economic profit and performance. Adopting a strategy of better working conditions in a business can totally and should be enrolled in that objective. The well-being in a business should also be a part of the overall strategy of the business itself. The challenge lies in the fact that the profit of a policy of better conditions in a business often remains obscure. However, human is surely the vehicle of performance at different levels: in terms of innovation, competitiveness and creativity.

The well-being at work will be observed through the physiological, biological and psychological figures (conduct, health condition of collaborators...), and will have different effects on the business including: innovation, concentration, commitment and motivation, creativity, quality of the

interpersonal relations, and the work atmosphere, these elements, which are extremely difficult to assess, are still indispensable and closely correlated with the economic performance of a given business. They are in fact the factors which will affect the reputation of a given business, the presenteeism and absenteeism, the competitiveness and the quality of products and services.

Human Capital: Morocco's Real Treasure

Human Capital: Shedding the Light on the Success of a Concept

The concept of the human capital has been shaped by the works of the founding economists of Nobel Prize such as T. Schultz (1961) who defined human capital of an individual as the amount of skills, experiences, and knowledge which are accumulated throughout one's career starting with the academic one, followed by the diverse received trainings and occasionally past experiences [23]. Other works of the noble prize winner G. Becker (1964), who completed the first definition of the concept, added other elements pertaining to personality, appearance and reputation. The latter elements are the source of his competitive advantage. He indicated that a business is a site of training and investing in the human capital. In truth, these types of works are regarded as the starting point of this stream of research.

His Majesty the Moroccan King Mohamed 6th has highlighted in his speech addressing the Moroccan people, during the 61st anniversary of the King's and the People's Revolution, that the human resources remain "the real treasure" of Morocco and one of the essential components of the kingdom's immaterial capital, as he stated that: "we have been keen to demonstrate and confirm the reputation of Moroccans who are known for their seriousness and devotion to work". He also stated that Moroccans: "have demonstrated their capacity to give and create the moment they are provided with the necessary means and the proper conditions to undertake any action, of any kind, big or

small, be it intellectual or manual despite the prevalence of unemployment".

In another speech and on a different occasion, precisely on October 10th, 2014 and during the opening of the 1st session of the 4th legislative year of the 9th legislature, his Majesty the king has pointed out that: "human capital is Morocco's major force in all of its economic, social and political accomplishments and in terms of human rights too. Heed should continue being paid to training and qualifying a citizen who is proud of his identity and open-minded to the universal values, especially through the continuation of the educational system's reform.

The former CEO of the company of Danone, Antoine Riboud had concluded his speech, which he delivered on October 25th, 1972, by saying: "we are leading our businesses with our hearts as well as our minds, as we do not forget that if the natural resources earth provide us with have limits, those of mankind are infinite if he is not to feel motivated."

However, these definitions given to the concept of human capital seem to be far away from the reality witnessed by the employees in a business, who do not properly perceive themselves as the capital that can be accumulated and transferred according to the situation of the business [14].

Human Capital: Classification

It is possible to draw up a classification of the concept of human capital which is composed of three categories that are as follows: general human capital, human capital dedicated to a specific task and human capital dedicated to a specific business. The first category, which is the general human capital, can be defined as neither specific to a given task nor to a business. It is in fact the amount of knowledge and the set of acquaintances and general competencies that are essentially interlinked by education and professional experience.

Human capital which is dedicated to a specific task basically encompasses professional experience and trainings. It corresponds to competencies that are specific to a given working function.

As for the human capital dedicated to a specific business, it then corresponds to the acquaintances and competencies that are mastered by an employee based on a background consisting of collective knowledge specific to a given business.

The overall performance

Performance: A Constant Compromise

The performance of a business in the heart of its logistic chain is captured through the satisfaction of many objectives associated with the chosen strategy.

These objectives are based on a range of backgrounds. We of course speak of the strategic, tactic and operational objectives. This involves the declination of performance at the level of the three mentioned decisional stages [3]. To assess the degree of compromise of each objective, a business resorts to the assessment of its fundamental performance; it, therefore, relies on several performance indicators or systems of indicators.

The financial approach to performance

The assessment of performance in the logistic chains has become an issue which is often studied in the literature written about this matter.

The logistic performance can be analyzed through three notions with regards to effectiveness, efficiency and differentiation [11].

Mentzer and Konrad's (1991) consider "logistic effectiveness as the degree of compromise of the logistic objectives". This is translated for instance by the setting of objectives related to the reduction of the stock level, and the respect of the delivery deadlines, etc. [2]

Efficiency is defined as the relation between the implemented resources and the obtained result [13]. It is "the capability to provide the client with the products and services demanded by him in an acceptable cost" [21]. Efficiency relies, in fact, on the capacity of the business to optimize the management of its logistic activities and assessment of 'the quality of the resources usage' [18]. Moreover, with the increase of competitive pressures, logistic activities should add value to the customer and present the characteristics that distinguish them from competitors [8]. This is the question Langley and Holcomb referred to as the logistic differentiation which would not only allow strengthening the logistic performance, but also contributing to the intensification of effectiveness and efficiency when it comes to the implementation of logistic activities [25], [4].

The social approach to performance

The social approach to performance is developed through the contributions of the school of human relations that highlighted the human dimensions in the organization. The unifying pillar of this approach is conceptualized as follows: the attainment of the social objectives allows fulfilling the financial and economic purposes.

The environmental approach to performance

The environmental performance is relatively a new concept which continues to be a complex topic and the source of numerous interpretations and subject to various perceptions [26.] In the field of environmental management, it is defined as: "the assessable outcomes of environmental management's system (SEM), in relation with the master of the environmental aspects per organism based on its environmental policy, objectives and purposes" [17]. The environmental performance is dependent on each business in the sense that it relies on the latter's environmental policy [19]. In fact, this policy pays heed to the mission, values, regional and local conditions that are proper for each business as well as the needs of its stakeholders [24].

The environmental performance can be analyzed according to four dimensions [12]: the improvement of products and process; the ties with the stakeholders; the regulatory compliance and financial effects and the environmental effects and the business's reputation. Yet, this approach is criticized by Caron [27] who considers, within the framework of this modeling of performance, that the business's actors are poorly represented, adding that the overall quality of the environmental performance is overshadowed [28]. The environmental performance does not exist unless and until it could be assessed. In truth, according to Lebas [15], performance does not exist unless and until we can assess it, the latter cannot be at any rate limited to the knowledge of a result. Hence, it is necessary to evaluate the results obtained comparing them with the ones desired. [20]

The Management Functionality of Supplies

The controlling of the workflows cannot be conceived by self-sufficiency and in the light of not being aware of the upstream. The logistics of supplying, which transferred through an intention to control the workflows in the business, constitutes a crucial element in the performance of a business; it is at the heart of the logistician's duty. The thing for him is about coordinating the order process to ensure that the deliveries are effectively inserted in the distribution and production-run of the business, and with regards to qualitative and financial criteria as well as time-based and material ones.

The logistics of supplies is a bridging function between the logisticians who should be a bridge of communication with the external partners (suppliers or their subcontractors) and domestic ones (sales and production departments), without forgoing the overall consistency of the system they oversee.

The objectives of the supplying function differ from a business to another, for instance: improving the purchasing

department, reducing the deadlines and the delays, increasing the earnings or margin, minimizing the fees and enhancing the production system. Supplying will be overall controlled by three indicators which are: the service or the availability rate of products, the stock level and supplying fees.

Among the technical competencies embodied in the supplying function, one could mention: contributing to defining the product specification together with the set of the relevant services, searching for and identifying potential suppliers, applying the purchasing policy with the relevant services, taking part in the negotiations with the suppliers, playing the role of an interface between suppliers and internal departments, identifying the frequency and the volume of orders, overseeing the orders and checking the quality of supplies, organizing the receipt of products and guaranteeing a technological and regulatory foresight.

Human Capital: is measured by competence

The evaluation of the competencies of each business with a developed vision which is linked to the evolution of its function is a vital step. Among the concrete elements that permit to assess the good practices of human capital's management one could mention: the development of a business is essentially based on anticipating future or upcoming professions and the ability to analyze the creative expertise of value in the present market, as well as in the future. This competencies / expertise is reassuring and empowering the business and its shareholders.

Nevertheless, the implementation of this approach remains progressive. Obtaining a good monitoring system of expertise is about anticipating the progression of functions in the coming years, or future in which each and every business has a challenge. For instance, one of the major problems encountered in the process of training within businesses is, for the present time, the influence of the digital transform. This completely shakes up the

organization, but it is the responsibility of businesses to seek development in accordance with the new technologies.

Methodology

The collection of data

An empirical study has been carried out nearby businesses in different sectors (Industry, Metallurgy, Automobile and Services' sector) in Tangier, Morocco. This study revolved around the evaluation of human resources' expertise working in the field of supplying. The questionnaire has been sent to 23 businesses, but only 7 of them were sent back.

Table 1: Count of companies per sector

Sector	Industry	Metallurgy	Automobile	Services
Number of businesses for each sector	2	1	2	2

In the view of studying the proficiency's rate of the competencies and expertise relevant to function of supplying inside businesses located in Tangier, Morocco, the answers of the questionnaire handed to the managers of supply were deducted and analyzed. The latters need to be able to show their knowledge and mastery of each

competency, ticking one of the squares in the questionnaire's table. The number of the obtained points leads us to estimate the proficiency's rate per activity's category in a general way. The answers differ according to the type of competency, but their value is identical within the four evaluation levels.

Table 2: Overview of the proficiency's rate of competencies/skills or expertise

Technical expertise	Personal skills	Professional competencies	Points
I master	I master	I know and I use	4
I practice	I'll do okey	I know but I do not always take it into account	3
I know	I have problems	I know a bit about it	2
I do not know	I cannot do it	I do not know	1

The calculation of the rate of proficiency is done by dividing the total points in different statements by the number of statements, multiplying the result by 100 to get the final percentage. Concerning the 100 competencies, the maximum score is 400 points while the minimum one is 100 points.

Results

Based on the answers of the received questionnaires, we have managed to collect and analyze data with the help of graphs and barometers to study the proficiency's rate of competencies / expertise. The average of the obtained proficiency's rates of competencies / expertise for the three types of competencies is drawn up in order to have a general rate of proficiency.

Table 3: The rates of proficiency for the three types of competencies/expertise in all the 7 cases

Categories of competencies/ expertise	The rate of proficiency for case						
	N° 1	N° 2	N° 3	N° 4	N° 5	N° 6	N° 7
Contribution to the definition of the product specification and the set of relevant services	96 %	77%	84%	95%	72%	69%	89%
search for and identify potential suppliers	80%	54%	36%	47%	20%	89%	94%
applying the purchasing policy with the relevant service	86%	78%	55%	56%	100%	87%	64%
taking part in the negotiations with the suppliers	45%	87%	54%	46%	75%	89%	72%
playing the role of an interface between suppliers and domestic departments	84%	56%	44%	88%	68%	49%	77%
identifying the frequency and the volume of orders	97%	46%	93%	49%	48%	55%	68%
overseeing the orders and checking the quality of supplies	89%	45%	68	99%	78%	69%	87%
organizing the receipt of products	100%	88%	97%	78%	99%	100%	87%
Technical expertise	85%	66%	66%	70%	70%	76%	78%
Proficiency in communication and enhanced interpersonal skills	86%	78%	34%	65%	44%	68%	64%
Ethical conduct and – social responsibility	100%	100%	100%	100%	99%	100%	98%
Experienced leadership and professionalism	82%	66%	48%	89%	100%	79%	88%
Strategic thinking and tested application	78%	86%	88%	97%	65%	91%	38%
Behavioral expertise	86%	82%	67%	88%	77%	84%	72%
Stock management	35%	31%	21%	36%	55%	48%	28%
Market exploration	58%	69%	24%	87%	68%	78%	44%
Analyzing and negotiating	79%	65%	55%	48%	78%	56%	68%
Professional expertise	57%	55%	33%	57%	67%	61%	47%
The total proficiency's rate	76%	68%	55%	72%	71%	74%	66%

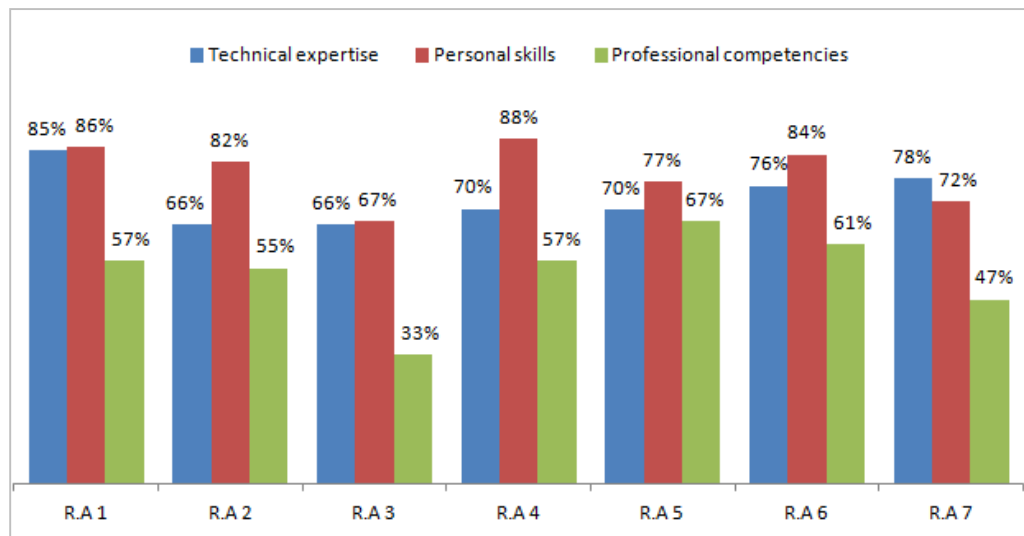


Fig. 1: Synthesis of mastery rates

Based on Fig 1 and Table 2, it is noticed that the 7 cases subject to study are quite different in the sense that there are supplying managers with a high level as far as expertise and acquaintances are concerned, and others with an average level, here lies the genesis of using this type of questionnaires to evaluate the exiting competencies in all the 7 cases. Hence, we will analyze the different results we will find.

As for case n°2, 3 and 7, the proficiency rate reached 68%, 55% and 66% which are below the average (which is estimated to be 69%), this elicits needs at the level of the business's management. By comparing the proficiency's rate of technical, behavioral and professional expertise, we have managed to indicate the proficiency of the behavioral competencies and the absence of the technical and professional expertise for the second and third cases, in addition to the proficiency in the technical and behavioral competence and the absence of professional expertise in the last case (n°7).

The proficiency's rates for the first, the fourth, the fifth and the sixth case reached 76%, 72%, 71% and 74 % reflecting a robust domination of improved competencies.

These rates can correspond to a proficiency at the level of all types of competencies or at the level of the recorded high scores in specific cases, bearing in mind that the technical expertise constitutes 85% of the standard rate. An individual with such rate can be regarded as a leader in his proper domain. The possible improvements lie in the acquired knowledge at the level of competencies which have obtained average or low results.

In cases n° 3 and 5, we notice that the supplying managers have a shortage in "the prospection and identification of potential suppliers" with a low proficiency rate estimated at 36% and 20%. This function is important in businesses, especially in industrial ones. It also aims at updating required information about the different fields of activities relevant to business, using existing and available resources about the market, building a data base, selecting potential suppliers, certifying suppliers, developing management resources and searching products.

We also notice that in the second and the fourth case, there is a lack in the "identification of the frequency and volume of demand" with a proficiency rate estimated to be 46% and 49%. This operation is extremely important for the business and is remarkably used in industrial businesses, logistic services and

transportation companies. This type of operations includes monitoring and respecting models of stock management that the businesses promote; the calculation of the demanded quantities based on forecasts; the strategies aiming at reducing the stocks in the supplying chain of the business; the management of provision of the surplus assets; a respect of environmental constraints related to supplies; and controlling the flow of material.

Following the previously presented remarks, we suggest that those 7 businesses shall offer a comprehensive training on the operation concerning 'the prospection and identification of potential suppliers' to the management officials beside another training regarding 'the identification of the frequency and volume of demands'.

Recommendations:

- Human capital is a means of profitability, which is rarely found in the businesses' accounts, yet, it represents 2/3 of the business's value today.
- The failure in merging and acquiring are most of the times due to the underestimation of the human capital.
- Only 7% of the businesses do evaluate risks relevant to human capital.
- Attracting the attention of skilled-talented individuals through proposing beneficiary offers and purely financial compensations.
- Offering innovative management.
- Preserving the health of collaborators.
- Strengthening teams with the help of teambuilding games.
- Celebrating the International Women's day.
- Creating an atmosphere marked by cooperation, coordination and exchange of information inside the business.

- Encouraging the employees and motivate them to love working in the business.
- Considering the well-being at work implies more globally the interest in the position of the human dimension.

Conclusion

Taking into consideration the well-being at work implies the thoughtful interest in the position of the human dimension in business. It is the main issue put forward in the present article, which points out the crucial key role played by human resources and its impact on the overall performance of a business.

There is a referential study which focuses on reviewing human resources performing supplying tasks beside calculating the expertise's/competencies' proficiency rate of those resources.

The 7 businesses should draw up a strategy with regards to human resources to strengthen the human capital which is therefore an improvement of its strategy of competitiveness and performance.

In fact, the way a business would be able to build its future growth is by making its employees feel that their true value does not lie in the asset side, but rather in the liability one.

However, businesses should give the human capital its rightful place, and the absence of this is risk, which won't let them have their own 'Sullenberger'; who is the pilot who has managed to land his Airbus plane on the Hudson river in New York on January 15th, 2009, saving the lives of 155 passengers.

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