

# Investigating the Impact of Training Management Strategy on Core Competencies

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## **Abstract**

This study aims to identify the impact off training management strategy on the core competencies in pharmaceutical industry companies listed on the Amman Stock Exchange, through the main dimensions of the study, which represented by each of the independent variable training management strategy in the dependent variable build the core competencies.

The study population consisted of pharmaceutical industry companies. It has been that all of those in charge of senior management position's sample for this study, the number of valid analysis processed to (151) questionnaires with response rate of (84.8%).

The study found a number of findings, including: There is a statistically significant impact at level ( $P \leq 0.05$ ) to training strategis to build core competencies in Jordanian pharmaceutical companies.

In light of the results and conclusions of the study, the following recommendations were suggested: The companies of the study population should keep at the level of interest in training from a strategic entrance, and use all the ways and means and tools to ensure increased attention, and do not let the level, they have been reached to became low or to decline.

**Key Words:** Strategy, Training Strategy, Core Competencies, Jordan.

## **Introduction**

The intense competition which is the most important features in the age of globalization, imposed on business organizations needed to focus on the human element, but it has become one of the most important investments in the modern business organizations, which provided them with excellence on the competitors. To achieve this, all business organizations to adopt a planned and effective training, which leads for the development of knowledge and skills, which in turn will reflect positively on the efficiency and effectiveness for the organization?

The subject of training is gaining prominence and extends to the reality to the work of the productive and service organizations, which requires an effort on the organizations within the

Arab environment, and this is shown clearly the importance of organizations by allocating 10% - 25% of the total budget in order to support training activities.

For the purposes of building a competitive advantage, the organization needs to pick up the dynamics of building competencies, and needs senior management team to develop a strong point for review on the future of building competencies, while the members of the organization, they should understand how to develop competencies (Hwang, 2003). Core competencies represent a competitive advantage, because the company is making the experience that is not owned by competitors, and may be the core competencies in the field of excellence in research and development, mastery of technology, manufacturing efficiency, or customer service (Daft, 1999). Given the importance to the subject of the training will be addressed throughout this study, and will be the independent variable, while the dependent variable will be building of core competencies.

## **Literature review**

### **Strategy**

Strategy is a comprehensive master plan, which describes how to achieve the organization of the mission and objectives, and through the organization of the fullness of their features and to reduce or curtail and reduce the negatives that are present in, and the strategic plan for the disposal of a long period of time committed to the organization, which usually include the formulation of objectives, and the development of operational plans that ensure their achievement (Al-Salem, 2009).

From the perspective of Wheelen & Hunger (2012) the strategic formation of a comprehensive master plan shows how the company can achieve its mission and objectives. The strategies are to manage the game plan, which is used to support the market situation, and to attract and satisfy customers, and competes successfully, and conduct operations, and achieve an organizational goal (Thompson et al, 2004).

### **Training**

Training as a planned effort by the company to facilitate staff learning work-related skills, and these skills include knowledge, skills or behaviors of high importance for successful job performance (Noe et al., 2010). It is a systematic process through which change behaviors and feelings of employees in order to increase and improve their efficiency and performance; it's an entrepreneur can the individual through the acquisition of a new skill or knowledge helped him to achieve specific objectives (Al-Salem, 2014). It is possible that the definition of training planned activity is designed to provide individuals with knowledge and skills, which aims to bring about positive changes in behavior and trends to enable individuals and groups to increase their performance at work.

### **Training Strategy**

The strategic approach to management training to analyze the opportunities and threats in the external environment for organizations to changing environmental factors, whether economic, political, technological, social, as well as to identify the strengths and weaknesses of the

internal environment of the organizations, whether human or physical or informative (Shr'h and Tarawneh, 2008). The training is one of the most important strategies for organizations that help employees to acquire appropriate knowledge and skills' they need to address environmental challenges (Uzongdu, 2013).

The training strategy as a process aimed at making strategic decisions affecting the long-term connection with the development and improve the performance of employees at the company and how they maintained the skills, knowledge and competencies and capabilities and the main entrance to the training strategy are the general strategy of the organization and that define the future vision in the organization' and the goals that must be achieved (Shr'h and Tarawneh, 2008).

Noe et al. has identified training as an organizational strategy planned effort to facilitate the process of learning and behavioral functional knowledge and skills of human resources (Noe et al., 2010).

### **Core Competencies**

For the purposes of building and sustaining competitive advantage, the organization needs to pick up the dynamics of building competence, and needs the top management team to develop a strong point for review of the future of building competencies, while the members of the organization, they should understand how to develop competencies (Hwang, 2003).

Core competencies are something the Organization uniquely compared with its competitors, and represent core competencies a competitive advantage because the organization is making the experience that is not owned by competitors, and may be the core competencies in the field of excellence in research and development, technology, manufacturing efficiency, or customer service (Daft, 1999).

Javidan seen the term core competencies is the result from the terms preceded by a term of resources, then the development thereafter to term capacity, and then develops into a the term competencies, and finally the term core competencies, and this sequence core competencies increasingly difficult to value, which is about the different efforts of the organization to increase the value of its resources, as it is a set of coordinating operations between the different capabilities possessed by the organization in a different components (Al-Tai, 2007). Armstrong defines competencies as factors that contribute to raise the individual performance levels, and then organizational effectiveness (Chan, 2005).

Robbins & Coulter defines the core competencies as the main value in the organization that creates the skills, capabilities, and resources that determine the competitive weapons (Robbins & Coulter, 2005). It can also be defined core competencies as essential capabilities and resources owned by the Organization and characterized as valuable, unique a difficult tradition, non-replaceable, which enables the organization to generate goods and services are better than others, to achieve the competitive advantage.

Diagnosis of the core competencies' difficult process, particularly in the area of setting priorities you need the organization of these competencies, and what are the competencies that the organization began to develop first.

Core capabilities has been categorized by researchers, according to a number of disparate foundations, and that after it was considering the views of many researchers about the core capabilities. Therefore, the purpose of this study has been the adoption of the three types of competencies: Marketing competencies, technological competencies, and organizational competencies.

### **The objectives of the Research**

This study aims to analyze training management strategy and its impact on core competencies, and through the following objectives:

1. To measure the level and the presence of core competencies in the Jordanian pharmaceutical companies.
2. Determine the nature of the impact of training management strategy in core competencies at the Jordanian pharmaceutical industry.
3. Diagnose any core competencies more affected by the strategy of training in the Jordanian pharmaceutical industry.

### **Research Questions**

1. What is the impact of training management strategy in achieving substantial efficiencies of the Jordanian pharmaceutical industry?
2. Is the level of achievement of the core competencies equally by training management strategy of the Jordanian pharmaceutical industry?
3. What is the level of awareness employees in the Jordanian pharmaceutical companies towards the core competencies?

### **Conceptual Model**

The study model represents a form philosophically achieves logically linked to trends impact of the training strategy, core competencies, and can design the idea of a model study in Figure (1).

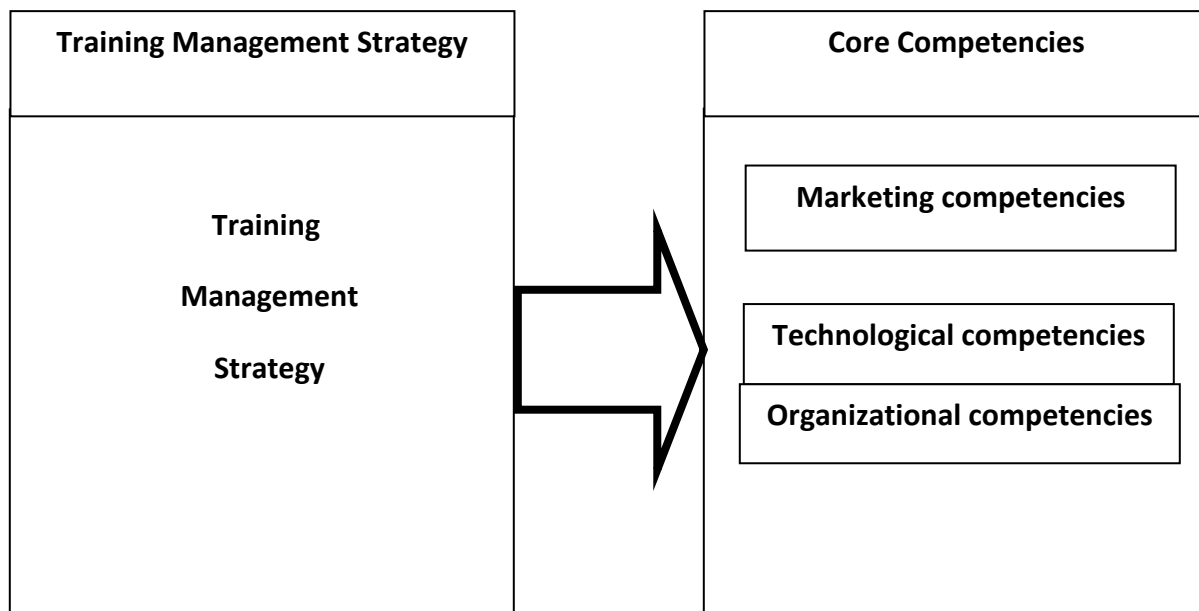


Figure 1: Conceptual Model

### Research Hypotheses

In light of the questions the study, the following hypotheses were formulated, which will be tested, extraction conclusions and recommendations based upon the results of tests.

Ho1: There is no a significant impact of training management strategy on the core competencies (marketing competencies, technological competencies, and organizational competencies) at ( $p \leq 0.05$ ).

Derived including the following sub-hypotheses:

Ho1-a: There is no significant impact of training management strategy on the marketing competencies at ( $p \leq 0.05$ ).

Ho1-b: There is no significant impact of training management strategy on the technological competencies at ( $p \leq 0.05$ ).

Ho1-c: There is no significant impact of training management strategy on the organizational competencies at ( $p \leq 0.05$ ).

### Methodology

#### Population and Sample

The study population consisted of all the Jordanian pharmaceutical companies listed in the Amman Stock Exchange makers. Given the importance for the subject as the study, and to ensure the quality of final results obtained, it was that all those who held administrative position's sample for the study.

They were distributed (171) questionnaire to a sample survey, returned them (159), and after examining questionnaires recovered show that there are (8) questionnaires are not valid for the analysis process, to non-completion of all the information contained therein, and this becomes the number of valid questionnaires for analysis (151) questionnaire at a rate (84.8%) of the total number of distributed questionnaires.

### **Data Collection**

This study was based on two sources of data collection, which are primary data and secondary data. Primary data is the data collected for the purpose of the study and answer the research questions. Secondary data sources were: literature review, Journals and research papers, books and related websites.

### **Research Instrument**

Taining management strategy variables which include:

Variables Source: Gasco et al. (2004); Brannick et al. (2002); Zahrani (2012).

Core competences variables which include:

Variables Source: Wang & Yang (2004); Lokshin et al. (2009); Radi (2012).

### **Instrument Validity and Reliability**

Instrument validity, for these purpose, the researcher confirmed the content validity through feedbacks from a number of faculty members from different universities who has experience and knowledge in the field of human resources management and strategic management.

To test the reliability of the questionnaire, Cronbach's Alpha was used and the results revealed a Cronbach's alpha coefficient was (90.4%) for all constructs, and (88.62%) for independents variable, while the dependent constructs were achieved (87.9 %).

### **Results and Discussion**

Ho1-a: There is no significant impact of training management strategy on the marketing competencies at ( $p \leq 0.05$ ).

Table (1) shows R value represents simple correlation and is (0.559), which indicates that the relationship between two variables is generally considered a moderate.

The value of  $R^2$  value reflects the proportion percentage of the variation in the dependent variable Sense of core competences (marketing competencies) that could be accounted for because of the independent variable training strategy. This percentage was (31.3 %). The beta ( $\beta$ ) coefficient reflects the magnitude of how much each independent variable can affect the value of the dependent variable. Obviously core competences (marketing competencies) has a beta coefficient of (0.559) indicating a positive significant effect of training strategy to achieve Sense of core competences (marketing competencies) in pharmaceutical industry sector in Jordan. As a result the null hypothesis is rejected and accepts the alternative hypothesis which indicates there is a significant impact of training strategy on marketing competencies at  $P \leq 0.05$  in the pharmaceutical industry sector in Jordan.

Table 1. Simple Regression Result

dependent variable	(R)	(R <sup>2</sup> )	Beta	t value	Sig.
Marketing competencies	0.559	0.313	0.559	8.239	0.000

Ho1-b: There is no significant impact of training management strategy on the technological competencies at ( $p \leq 0.05$ ).

Table (2) shows R value represents simple correlation and is (0.511), which indicates that the relationship between two variables is generally considered a good.

The value of R<sup>2</sup> value reflects the proportion percentage of the variation in the dependent variable Sense of core competences (technological competencies) that could be accounted for because of the independent variable training strategy. This percentage was (26.1 %). The beta ( $\beta$ ) coefficient reflects the magnitude of how much each independent variable can affect the value of the dependent variable. Obviously core competences (technological competencies) has a beta coefficient of (0.511) indicating a positive significant effect of training strategy to achieve Sense of core competences (technological competencies) in pharmaceutical industry sector in Jordan. As a result the null hypothesis is rejected and accepts the alternative hypothesis which indicates there is a significant impact of training strategy on technological competencies at  $P \leq 0.05$  in the pharmaceutical industry sector in Jordan.

Table 2. Simple Regression Result

dependent variable	(R)	(R <sup>2</sup> )	Beta	t value	Sig.
Technological competencies	0.511	0.261	0.511	7.252	0.000

Ho1-c: There is no significant impact of training management strategy on the organizational competencies at ( $p \leq 0.05$ ).

Table (3) shows R value represents simple correlation and is (0.568), which indicates that the relationship between two variables is generally considered a moderate.

The value of R<sup>2</sup> value reflects the proportion percentage of the variation in the dependent variable sense of core competences (organizational competencies) that could be accounted for because of the independent variable training strategy. This percentage was (32.3 %). The beta ( $\beta$ ) coefficient reflects the magnitude of how much each independent variable can affect the value of the dependent variable. Obviously, core competences (organizational competencies) had a beta coefficient of (0.568) indicating a positive significant effect of training strategy to achieve sense of core competences (organizational competencies) in the pharmaceutical industry sector in Jordan. As a result, the null hypothesis is rejected and accepts the alternative

hypothesis which indicates there is a significant impact of training strategy on organizational competences at  $P \leq 0.05$  in the pharmaceutical industry sector in Jordan.

Table 3. Simple Regression Result

dependent variable	(R)	(R <sup>2</sup> )	Beta	t value	Sig.
Organizational competencies	0.568	0.323	0.568	8.926	0.000

### Recommendations and future work

The companies of study population should keep at the level of interest in training from a strategic entrance, and use all the ways and means and tools to ensure increased attention, and do not let the level, they have been reached it became decline or low, and most importantly, empowering employees through various training programs for them constantly, or workshops held, or brainstorming sessions, and the use of diverse skills to enrich the training methods, and knowledge, and abilities, and try to modify their attitudes positive.

As business organizations must give attention to the core competencies because it is the basis of achieving competitive advantages in the business environment. It was clear from the results of the study; it said that the pharmaceutical industry in Jordan has given high attention to core competencies.

The study recommends a for future studies related to training strategy and linking them to other variables, such as efficiency, creativity of employees, also recommended the application of these variables in other companies such as telecommunications, tourism and hotels.

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