MANAGEMENT COMPETENCIES AND THEIR IMPACT ON THE ORGANIZATIONAL PERFORMANCE OF LOCAL GOVERNMENTS
EVIDENCE FROM PERU

ROBER ANIBAL LUCIANO-ALIPIO¹, HÉCTOR YVAN PELÁEZ-CAMACHO², HUGO DANIEL GARCÍA-JUÁREZ³, DANNY XAVIER AREVALO-AVECILLAS⁴, NELIDA CCOÑISLLA CACERES⁵, BORIS RAÚL GONZALES VALER⁶

¹Faculty of Administrative Sciences, Altoandina National Autonomous University of Tarma - Peru
²,³,⁵César Vallejo University - Peru
⁴ESPOL Polytechnic University, Escuela Superior Polytechnical del Littoral, ESPOL, Faculty of Social and Human Sciences - FCSH, Campus Gustavo Galindo Km. Vía Perimetral 30.5, P.O. Box 09-01-5863, Guayaquil - Ecuador
⁶Peruvian Wings University - Peru
rluciano@unaat.edu.pe, hpelaezc@unaitru.edu.pe, hgarcia@ucv.edu.pe, darevalo@espol.edu.ec, nelidacpc29@gmail.com, gonzavaler@gmail.com

Abstract - Public organizations need managers capable of leading them to fulfill their mission, mainly who can guide them to achieve high levels of performance. The main objective of the research was to determine the incidence of managerial skills in the organizational performance of local governments in Peru. The methodology consisted of following the steps of the quantitative approach, at an explanatory level, with a non-experimental design and data collection in a single moment, surveying 319 workers, to whom a questionnaire was applied; the data were processed through the SPSS program, using the ordinal regression model to test the hypotheses. The main results show that managerial competencies explain 47.9% of organizational performance in the local governments studied, measured through Nagelkerke Pseudo R squared, with a significance of p=0.000; strategic, interpersonal and personal competencies have a similar incidence. It is concluded that managerial competencies largely explain organizational performance in local governments in Peru.

Keywords: competencies; managers; performance; local government.

INTRODUCTION
In light of the great problems of the world, such as pandemics, poverty, hunger, migration, among others (OECD, 2020), the State through governments must be more daring and propose comprehensive and lasting solutions (Figueroa et al., 2018). At a global level, the actions of governments are questioned, considering them inefficient in the use of public resources, stained with acts of corruption, with slow service processes and in general with low-quality services (Eljawati et al., 2021).

Public institutions are in charge of ensuring adequate provision of services; however, it depends a lot on the resources they have, including human resources as the predominant ones (Osborne, 2018). Competent and skilled human resources that must be considered at the center of the organization's main strategy (Becker and Huselid, 2006); Competences that must be constantly renewed with the sole aim of achieving better performance of the organizations (Moreno and Wong, 2018), highlighting management capacity as the most important for the success of the organization (Zarmino et al., 2014). However, one of the most critical problems that organizations face today is being able to find suitable personnel to fill managerial and administrative positions (Carrillo, 2021), despite the fact that 53% of young people opt for careers in business sciences and management, they are not properly prepared to efficiently and effectively manage the institutions and achieve a high rate of performance at the organizational level (Chávez and Arias, 2018). Since what is sought are managers who have the ability to lead groups of people, who are interested in the common good of their members, as well as develop the talent of each of the team members (Boivie et al.,
2021). In the managerial part of local governments, there is evidence of inadequate managerial competencies, mainly of a strategic nature, revealed when carrying out the different tasks that are not aligned with the organizational vision (Fowler, 2018). On the other hand, it is evident the inefficiency of the execution of assigned financial resources, little orientation of the services to the user, limited interfunctional orientation and a low negotiation capacity (Cepiku et al., 2016). Likewise, deficient interpersonal competencies can be identified, such as poor communication and inadequate conflict management (Narbón-Perpiñá & de Witte, 2018). The main purpose of the research was to determine the influence of management competencies on the organizational performance of local governments. This research contributes empirical evidence so that researchers concerned with public management issues, mainly in subnational governments, continue delving into the study of competencies that allow for greater performance; In addition, it will contribute to managers so that they have more arguments in the implementation of personnel improvement programs within local governments and in this way achieve the institutional objectives and goals that are proposed.

1. Theoretical frameworks

1.1. Management competencies

Competences are defined as the set of knowledge, competencies and abilities that an individual possesses (Boyatzis, 2008). While, at the managerial level, these are defined as the skills possessed by an individual empowered to lead within the organization (Suarez et al., 2018). These competencies are made up of a set of actions that are developed by people and therefore lead to achievement (Pereda et al., 2015). Managers must have teamwork skills, know how to solve problems, interact interpersonally, to innovate, manage and have a clear vision of the organization (Siepel et al., 2019). Competences that belong to the subgroup possessed by managers (Analoui, 1995; Boyatzis & Cavanagh, 2018). These types of competencies are considered fundamental tools that lead to the competitiveness of organizations, mainly in changing and highly complex environments (Kiaei et al., 2014). They must be adequate and suitable for the area in which the manager works or based on the activities he or she carries out (Tokel, 2018). It is essential that managers manage to comply with what is entrusted to them, with the requested standard, putting their best effort to function (Hoffman & Tadelis, 2018).

These competencies have been divided into three dimensions, namely strategic, interpersonal and personal (Törlind & Eklöf, 2021). Strategic competencies are focused on generating economic value for organizations, aimed at aligning the vision with the organizational objectives and goals in the short and long term (Stamevska & Stamevski, 2020). While interpersonal competencies are mainly oriented towards support, motivation and good conflict management (Beenen et al., 2021). Personal managerial competencies are those that allow relationships between workers in the work environment in which they operate (Bodziany et al., 2021). It is essential to combine the three types of competencies, due to their complementarity between them, since they must be observed in the person who possesses them, in addition, that they increase the chances of achieving success in fulfilling the managerial function (Çalışkan & Özdemir, 2018).

On the other hand, there is Dimmock et al. (2003) who propose that to achieve roles such as director, a series of competencies are necessary, which are grouped into a management model, which includes human relations, internal processes, rational goals, open systems, which all managers must develop. In the same sense, the rational meta model is given by the production functions of the organization, the model focused on the internal process seeks the stability of the company, while human relations seek the balance between workers and open systems are oriented to adapt to the environment to grow and constantly change (Mertens, 1996). In the public sector, the manager must gather certain additional competencies, such as researching the opinions of society, analyzing data, anticipating trends, integrating various media, developing strategies, and properly using existing knowledge (Lan & Hung, 2018).
1.2 Organizational performance
Organizational performance is the achievement of tasks, through the performance of various actions guided by organizational objectives and goals. It is also said that it is the overall product of combining efforts at the individual, team, and program or work area levels; also considering that it is made up of effectiveness, efficiency, relevance and financial viability (Contu, 2020). It is also considered as the level that the results of a certain management have obtained, which has been planned by the organization, framed in its mission, objectives, goals, activities, services or products; which will influence the quality and ultimately lead to customer satisfaction, as well as the interested parties (Vugec et al., 2020). In the same way, evaluating the level of compliance with what was planned will serve to implement various strategies that will help improve performance. Organizational performance considers variables such as the efficiency, effectiveness and results of a given business model; focusing the success of the organization on the ability to implement strategies that lead to achieving the objectives set within the institutions; connecting this performance with the workers because it will give greater motivation if the results are positive (Almatrooshi et al., 2016). An attempt has been made to define it as the actual result obtained by the organization and it can be compared with other similar organizations (Tomal & Jones Jr, 2015).

1.3 Relationship between management competencies and organizational performance
There are studies that have been oriented to measure the relationships between these variables, for example, there is Petra (2017) who related managerial competencies with business competitiveness, in service companies in Bolivia, finding that managerial competencies are in a mostly bad level and that are the fundamental basis for achieving business competitiveness. Ali et al. (2020) conducted a study to measure the relationship of intangible competencies to improve organizational performance, found that intellectual capital, financial education, and business experience significantly influence the development of new products and the sustainable competitive performance of organizations. Claudia (2021) sought to measure human resources competencies in organizational performance, the study was carried out in 33 companies, finding that the competencies studied had a minimal negative effect on business performance. Therefore, the following hypothesis is proposed:

Hypothesis 1: Management competencies have a moderate influence on organizational performance in local governments in the Peruvian context.

On the other hand, there are different studies that have addressed strategic competencies in organizational performance. Among them Pramandita et al. (2021) who measured strategic management competencies and their influence on organizational performance, in 304 officers of the Indonesian armed forces, through structural equations, found that knowledge management is favorable for organizational performance. Okoli (2017) for his part carried out a study to examine managerial competencies to achieve effective performance in companies, 316 people were surveyed, finding that various skills are necessary in graduates to achieve high organizational performance. Based on the studies found, the following hypothesis is proposed:

Hypothesis 2: Strategic competencies moderately explain organizational performance in local governments in the Peruvian context.

Interpersonal competencies that explain organizational performance have also been considered. Syahrudin (2018) conducted a study in the public sector, in which it was proposed to determine the effect of interpersonal competencies on staff performance, with a total of 102 sample employees, to whom a survey was applied, concludes that the Interpersonal competencies have a direct positive effect on employee performance. Baque et al. (2022) proposed to measure the influence of interpersonal competencies on the efficiency of companies, collecting data from 30 managers, it was concluded that by practicing interpersonal competencies, high efficiency rates are achieved within organizations. Based on what has been described above, the following hypothesis is proposed:

Hypothesis 3: Interpersonal competencies moderately explain organizational performance in local governments in the Peruvian context.
In the same way, studies have been identified that address the relationship of personal competencies that affect organizational performance. Mantilla & Garcia (2010) found a series of personal competencies to achieve better performance at the team and organizational level, such as social motives, self-determination, change management, leadership, support, commitment and monitoring. Oyarce et al. (2020) investigated the personal competencies of university graduates in order to be able to enter the labor field and achieve better performance, they conclude that graduates must further strengthen their personal competencies to achieve better levels of performance. Therefore, the following hypothesis is posed.

**Hypothesis 4:** Personal competencies moderately explain organizational performance in local governments in the Peruvian context.

2. **Methodology**

The research was of a basic type, since it seeks to increase the flow of knowledge of the relationship between managerial competencies and organizational performance in the context of the public sector; the approach in which it has been developed is quantitative, using the hypothetical deductive method; the scope was explanatory-causal, since it seeks to measure relationships by giving them directionality (Hernández & Mendoza, 2018).

The population was made up of local government workers who perform managerial and boss functions; collecting data from 319 people, to whom a survey was applied, to obtain the data, which was applied virtually, using Google forms (Prasad & Narayan, 2019). The instrument consisted of 30 items, 15 to measure managerial competencies and 15 to measure organizational performance, with a Likert-type scale with five options ranging from 1=very deficient to 5=Excellent; It was validated by expert judgment and its reliability was measured through Cronbach’s Alpha, obtaining a value of 0.949 at the variable level, 0.844 for the strategic competencies dimension, 0.887 for interpersonal competencies and 0.877 for personal competencies; in the case of the second variable, a value of 0.957 was obtained; all the values were high, therefore it is considered reliable to measure the variables (González & Pazmiño, 2015).

For the data processing, the statistical program SPSS has been used, frequency tables in the descriptive results, while ordinal regressions have been used for the inferential results, measuring the relationships and their directionality with Pseudo R square (Navarro et al., 2014).

3. **Results**

3.1 **Descriptive results**

The results at a descriptive level indicate that with respect to the managerial competencies variable (MC), 60.2% of those surveyed consider that they are excellent, that is, they mostly consider having competencies of this nature; In relation to the strategic competencies (SC) dimension, 60.8% of the respondents state that their competencies of this type are excellent, and that they are prepared to look in the long term and design action paths for their organizations; while 67.4% rate their interpersonal competencies (IC) as excellent; Similarly, 67.4% also rate their personal competencies as excellent (PC); In general, with regard to managerial competencies, the majority of respondents rate these skills as excellent. While the organizational performance variable (OP) is rated as regular at 39.2%, becoming the highest value, while it is rated as good at 31.0%; Therefore, it can be affirmed that the performance at the local government level is still low and can continue to improve. The detailed results are presented in Table 1.

<table>
<thead>
<tr>
<th>Scale</th>
<th>MC</th>
<th>SC</th>
<th>IC</th>
<th>PC</th>
<th>OP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very poor</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0.6%</td>
</tr>
<tr>
<td>Deficient</td>
<td>0.6%</td>
<td>0.6%</td>
<td>0.6%</td>
<td>0.6%</td>
<td>7.8%</td>
</tr>
<tr>
<td>Regular</td>
<td>5.3%</td>
<td>11.6%</td>
<td>10.0%</td>
<td>4.7%</td>
<td>39.2%</td>
</tr>
<tr>
<td>Well</td>
<td>33.9%</td>
<td>27.0%</td>
<td>21.9%</td>
<td>27.3%</td>
<td>31.0%</td>
</tr>
</tbody>
</table>

Table 1: Descriptive results of the variables management competencies and organizational performance and its dimensions
3.2 Inferential results
In order to measure the relationship between the variable’s managerial competencies and organizational performance, the model adjustment information was first determined, obtaining a Chi-square of 186,500, with 3 degrees of freedom and a level of significance of \( p = 0.000 \); in addition to the goodness of fit with a Pearson Chi square of 17.336 and significance level \( p=0.044 \); therefore, it can be said that the models fit perfectly. The relationship was measured by Pseudo R square, measured with the Nagelkerke test, obtaining a value of 0.479, which indicates that managerial competencies explain 47.9% of organizational performance behavior, considering that said value is moderate. In addition, the independence of the variables has been determined through the parallel lines test, obtaining a Chi-square of 0.00 and a significance level of \( p=1.000 \), which indicates that there is independence of variables. The results are presented in Table 2.

Table 2: Results of the relationship between managerial competencies and organizational performance

<table>
<thead>
<tr>
<th>Models Fit Information</th>
<th>Goodness of fit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model</td>
<td>Log likelihood -2</td>
</tr>
<tr>
<td>Interception only</td>
<td>186,500</td>
</tr>
<tr>
<td>Final</td>
<td>,000</td>
</tr>
<tr>
<td>Pseudo R squared</td>
<td>Parallel lines test</td>
</tr>
<tr>
<td>Cox y Snell</td>
<td>,443</td>
</tr>
<tr>
<td>Nagelkerke</td>
<td>,479</td>
</tr>
<tr>
<td>McFadden</td>
<td>,226</td>
</tr>
</tbody>
</table>

a. Link function: Logit.
b. The log-likelihood value is practically zero. There may be a complete gap in the data. Maximum likelihood estimates do not exist.

Note: The null hypothesis indicates that the location parameters (steepness coefficients) are the same across response categories.

In the same way, the relationship between strategic competencies and organizational performance has been measured, firstly the model adjustment information has been determined, obtaining a Chi-square of 178.683, with 3 degrees of freedom and a significance level of \( p=0.000 \); in addition to the goodness of fit with a Pearson Chi square of 33.681 and significance level \( p=0.000 \); therefore, it can be affirmed that the models fit adequately. The relationship was measured by Pseudo R square, measured with the Nagelkerke test, obtaining a value of 0.464, which indicates that strategic competencies explain 46.4% of organizational performance behavior, considering that said value is moderate. In addition, the independence of the variables has been determined through the parallel lines test, obtaining a Chi-square of 0.00 and a significance level of \( p=1.000 \), which indicates that there is independence of variables. The results are presented in Table 3.

Table 3: Results of the relationship between strategic competencies and organizational performance

<table>
<thead>
<tr>
<th>Models Fit Information</th>
<th>Goodness of fit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model</td>
<td>Log likelihood -2</td>
</tr>
<tr>
<td>Interception only</td>
<td>178,683</td>
</tr>
</tbody>
</table>

Note: The results were obtained from the survey.
Likewise, the relationship between interpersonal competencies and organizational performance has been measured, first measuring the fit of the models, obtaining a Chi-square of 136.123, with 3 degrees of freedom and a significance level of p=0.000; in addition to the goodness of fit with a Pearson Chi square of 18.679 and significance level p=0.028; therefore, it can be affirmed that the models have an adequate fit. The relationship was measured by Pseudo R square, measured with the Nagelkerke test, obtaining a value of 0.376, which indicates that interpersonal competencies explain 37.6% of organizational performance behavior, considering that said value is moderate. In addition, the independence of the variables has been determined through the parallel lines test, obtaining a Chi-square of 0.00 and a significance level of p=1.000, which indicates that there is independence of variables. The results are presented in Table 4.

<table>
<thead>
<tr>
<th>Models Fit Information</th>
<th>Goodness of fit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model</td>
<td>Log likelihood</td>
</tr>
<tr>
<td>Interception only</td>
<td>136,123</td>
</tr>
<tr>
<td>Final</td>
<td>0,000</td>
</tr>
<tr>
<td>Pseudo R squared</td>
<td>Parallel lines test*</td>
</tr>
<tr>
<td>Cox y Snell</td>
<td>0,347</td>
</tr>
<tr>
<td>Nagelkerke</td>
<td>0,376</td>
</tr>
<tr>
<td>McFadden</td>
<td>0,165</td>
</tr>
</tbody>
</table>

a. Link function: Logit.

b. The log-likelihood value is practically zero. There may be a complete gap in the data. Maximum likelihood estimates do not exist.

Note: The null hypothesis indicates that the location parameters (steepness coefficients) are the same across response categories.

Finally, the relationship between personal competencies and organizational performance has been measured, first measuring the fit of the models, obtaining a Chi-square of 150.966, with 3 degrees of freedom and a significance level of p=0.000; in addition to the goodness of fit with Pearson's Chi-square of 28.203 and significance level p=0.001; indicating that the models are optimal. The relationship was measured by Pseudo R square, measured with the Nagelkerke test, obtaining a value of 0.408, which indicates that personal competencies explain 40.8% of organizational performance behavior, considering that said value is moderate. In addition, the independence of the variables has been determined through the parallel lines test, obtaining a Chi-square of 0.00 and a significance level of p=1.000, demonstrating that there is independence of variables. The results are presented in Table 5.
Table 5: Results of the relationship between personal competencies and organizational performance

<table>
<thead>
<tr>
<th>Models Fit Information</th>
<th>Goodness of fit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model</td>
<td>Log likelihood - 2</td>
</tr>
<tr>
<td>Interception only</td>
<td>150,966</td>
</tr>
<tr>
<td>Final</td>
<td>0,000</td>
</tr>
</tbody>
</table>

Pseudo R squared Parallel lines test

<table>
<thead>
<tr>
<th>Model</th>
<th>Log likelihood - 2</th>
<th>Chi squared</th>
<th>df</th>
<th>p</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cox y Snell</td>
<td>0,377</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nagelkerke</td>
<td>0,408</td>
<td>Null hypothesis</td>
<td>,000</td>
<td>---</td>
</tr>
<tr>
<td>McFadden</td>
<td>0,183</td>
<td>General</td>
<td>,000</td>
<td>9</td>
</tr>
</tbody>
</table>

a. Link function: Logit.
b. The log-likelihood value is practically zero. There may be a complete gap in the data. Maximum likelihood estimates do not exist.

Note: The null hypothesis indicates that the location parameters (steepness coefficients) are the same across response categories.

4. Discussion

In the public sector in the Peruvian context, specifically in local governments, there are mostly collaborators with limited managerial competencies, that is, they are not trained to lead, but develop these skills as they gain experience (Eljawati et al., 2021). From the results found about the perception of managerial competencies, the respondents rate them between good and excellent, these results are due to the fact that in the last twenty years a public sector modernization policy has been implemented framed in the theory of the new public management that seeks to improve management to achieve high levels of performance (Chávez and Arias, 2018).

It can also be seen that the competencies that have been best developed are personal and interpersonal, that is, greater emphasis has been placed on those that allow greater personal efficiency and those that allow relationships with other people, thus achieving greater consolidation for workers who are in contact with service users and to carry out teamwork (Beenen et al., 2021). However, with regard to strategic competencies, lower qualifications have been obtained, because it does not have more global competencies or at the organizational level, this involves managing competencies that help to envision the organization in the long term, related to the understanding of the organizational mission and the fulfillment of goals and objectives at the organizational level (Lan & Hung, 2018). Clearly evidencing that, in the public sector, specifically in subnational governments, there are competent managerial collaborators to achieve their tasks individually, with their peers, but that there is still a need to place more emphasis on strategic, long-term management, oriented to the mission and sustainability of the organization (Çalışkan & Özdemir, 2018).

The level of performance in local governments has been determined mostly as regular, due to the fact that the objectives, goals and mission of the institution are not achieved, presenting serious deficiencies in the provision of services and the promotion of integral development at this level of government. of the territory they administer, therefore, there are almost always complaints from citizens, by not providing a solution to their main problems that afflict them (Figueroa et al., 2018). There is low performance because adequate levels of efficiency are not reached, by not achieving the proposed objectives and goals, in relation to the resources allocated; Nor is the effectiveness in addressing the main problems met, by not addressing the requested requirements in a timely manner; nor does it have the necessary relevance, since local governments are not the first option in requesting services, but rather in many cases they are the only option that citizens have, mainly those with fewer economic resources (Osborne, 2018).
It has been shown that management competencies moderately explain the performance of local governments in the Peruvian context, thus demonstrating the great importance of this type of competencies to develop public institutions, in order to guarantee the adequate and timely provision of public services to the community; In the Peruvian context, low levels of performance can be evidenced, as a result of limited managerial competencies, since there are, for example, low levels of budget execution, few policies and programs implemented, critical problems of the communities that have not yet been resolved, such as citizen insecurity, public transport, possibility on the roads, to name a few problems, which are associated with ineffective leadership, due to the fact that managerial competencies are limited or in many cases absent, such as teamwork, ability to solve problems at an institutional level, innovation in management, comprehensive administration based on the mission of the organization (Pereda et al., 2015). Likewise, it has been shown that strategic, interpersonal and personal competencies have a positive and moderate impact on the organizational performance of subnational governments. In the case of strategic competencies, it can be seen that they have a greater impact, because they allow the organization to be seen in an integral way, as a whole, which leads to infer the great importance they have to achieve better results at the organizational level. At the same time, they are the least developed at the level of public managers, mainly at local government levels, where there are fewer financial and physical resources, which in many cases do not allow the development of this type of competencies. and rather, greater importance is given to infrastructure development rather than developing managerial competencies, mainly at a strategic level (Stamevska & Stamevski, 2020). However, it has been found that both interpersonal and personal competencies have a lesser effect on organizational performance, because they serve to achieve performance at the individual level and in team performance, which are undoubtedly important, but are more isolated, that is, its effect does not condition the performance of the entire organization. This is due to the fact that the formation of individualistic competencies has been promoted more than at an integral level. Although it is true that the development of competencies and performance in the private sector has been promoted, the same impetus has not yet been achieved in the public sector, despite the fact that the new public management approach follows the principles applied by private administration, however in the Peruvian context there is still a transition from bureaucratic administration to new public management, and more progress has been made at the national government level than in smaller governments, therefore, policies are still pending that promote a greater development of managerial competencies that allow improving performance levels at the organizational level, because we are talking about institutions that are the closest to citizens, those that know their needs more closely and that must be attended efficiently, effectively and be relevant.

CONCLUSIONS AND IMPLICATIONS
The investigation allows us to conclude that management competencies moderately influence organizational performance in local governments in the Peruvian context, thus demonstrating the great importance of this type of competencies in workers, for the fulfillment of objectives, goals and mission of state institutions. It has also been shown that strategic, interpersonal and personal competencies have a moderate influence on organizational performance in subnational governments, gaining relevance in their development at the level of managers and heads of areas with the desire to achieve what these institutions propose, facing the citizen, since they are the institutions that are closest to them. There is still a need to continue investigating the effect of competencies, not only directives, at the level of subnational governments in contexts of developing countries, mainly because more avant-garde approaches such as new public management or collaborative management are being implemented, on which there are very few research reports on their relationships between these variables.
REFERENCES


