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Managerial Competence and Performance: A Theoretical Review

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Abstract: ***The ultimate objective of strategic management as a discipline is to facilitate business organization to respond to dynamism in the environment to enable them thrives in the competitive business world by attaining sustainable competitive advantage. This paper seeks to review literature on the constructs of management competence and performance and related phenomena in an attempt to identify the gaps in literature, emerging trend or phenomena and present a case for a suitable new theoretical model in an effort to further the current understanding of the construct and its outcome. This will be achieved by reviewing conceptual and empirical literature on the construct, identify its various attributes of strategic thinking, network building and collaboration, organization learning and entrepreneur competencies, review related theories and models of resource based view, theory competency based, institutional theory, competitive advantage and balanced score card models. The review demonstrated that despite the rich interest in the construct of managerial competence, there exist a number of gaps in that a common definition which remains elusive for the construct and it attributes of strategic thinking, there no clear link between the construct, strategy and performance, most of the studies have been done in developed countries and therefore cannot be generalized for the industry and developing countries, there remains mixed finding on the relation between some attributes and performance, most of the research are single dimensional, some attributes are difficult to measure and need to identification of additional performance indicators and lastly there is lack of clear set of specific competences needed by a manager in carrying out the various managerial functions, and all of which shall form basis for future research in this area.***

Keywords: Managerial Competences, competitive advantage, performance

1. Introduction

Ogollah, Bolo & Ogutu (2011) notes that the reason behind superior performance by some business organizations as opposed to others within a homogeneous business environment in the twenty first century remains as an emerging business trend and a concern by academician, consultants and top business managers. Wandiga, Kilika & James (2019), observes that managerial competencies are the last ingredients in continuum of resources and capabilities necessary to achieve desired organizational objectives. According to Henry Mintzberg (1973), an authority in strategy and management, managers need to develop right skills and knowledge in order to play the various interpersonal, information and decisional role. Mintzberg (2009a), further identifies four perspective of managerial competence, which includes personal competences, interpersonal competences informational competencies and lastly the factional competence.

Trapathi and Agarwal (2014) hypothesized that firms implementing, renewing, integrating and expanding their existing managerial competencies will gain and sustain competitive advantage as they will be able to transform resources resulting to core competences necessary to manage organization change which is an important theme in strategic management literature. Managerial competence is ability of a leader or manager to direct what need to be done in order to achieve the organization objective and communicate the expected outcome of those efforts (Mimosa et al, 2017). There are a number of ways that a company top management can utilize to enhance competences in the organization to attain competitive advantage; by developing and enhancing the individual employee competencies, connecting individual employee competences with the organizational competences and linking the organization competences at inter organization or industry level through networking and collaboration amongst organization (Probst et al, 2000), as management competence are strategically driven by organization core competences (Katarzyna & Zdzisława, 2014). Petra et al (2013) hypothesize that in order to overcome future challenges; an organization must have top management competence as the only long term strategic advantage. In the contemporary world there is a paradigm shift in the role of the manager, where he plays the role of a leader, mentor, facilitator and his additional role is to coordinate, and provide an enabling environment to ensure the employee give their maximum potential to the organization.

Traditionally organizational outcome was measured on terms of financial indicators which had a limitation of being historical and hence not forward looking to respond to emerging challenges (Spanos & Lioukas, 2001). Kaplan and Norton (2004) developed four perspectives of measuring performance of customer perspective, business process, leaning and growth and financial data to monitor and assess whether the organization objectives and goals are met, the measures includes both financial and operational. Labans & Euske (2006) terms performance as the sum total of both financial and non-financial indicators that offer information necessary to ascertain the attainment of the organization objectives.

1.1 Statement of the Problem

Despite the recent interest and rich literature in managerial competence and the resultant outcome in an organization, a number of conceptual gaps in the reviewed literature have been identified in key areas of; definition, dimensions and indicators, link with performance, various aspects, model and policy implication. Konstantinos et al (2008) observes

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that the definition of management competence by researchers as confusing in terms of different terminologies defining similar concepts in different level of activities within the organization and the much held assumption that competences is static. Kabue and Kilika (2016) identified glaring gaps in developing sustainability of both competitive advantage and performance. Most research studies concentrate on a single aspect and indicator of managerial competences resulting to no generalization. According to Osmar and Zineb (2019), there is incomplete literature and an ongoing debate on the subject of organizational performance, the definition is general and a diverse perception on the subject. The link of managerial competence, strategy formulation and implementation and performance, has not been properly and adequately dealt with, (Namusonge, 2014).Petra et al (2013) noted that most model in the past have little or no empirical evidence on the relationship between managerial competences and organization performance. Indeed Crook et al (2011) concludes that the link between managerial competencies and business performance shall remain an important area of organizational literature research in the foreseeable future. Most of the model do not clearly state the set of specific competences needed by a manager in carrying out the various managerial functions. Most of the studies in the construct of management competence were conducted in developed countries and there is need to consider different context for generalization (Barazandeh et al, 2015).

From reviewed literature on strategic thinking, strategic intent as the latest thinking in the contemporary world stemming from strategic management has been understood differently in different years by different scholars (Mburu & Thuo, 2002).Ngigi and Kilika (2019) who notes that the concept of network has not been researched adequately in terms of the processes in its formation and lack of common indicators of network relationship. Some construct like organization learning (David, 1993) and leadership effectiveness (Muriithi et al; 2018) are difficult to measure and need to identification of additional performance indicators. Similarly, studies on entrepreneurial competences have returned mixed finding on their relationship with performance which according to Noor et al (2018) which are at times related to gender and number of year of existence.

This literature review has implication to professionals, consultants, and managers in understanding and considering individuals competencies, firm specific core competencies, develop the interventions, understand the phenomena of competency by incorporate it in management development, link individual behavior with organizational performance. In addition it shall provide future managers and organizations with a comprehensive intervention to dynamism in individual competences for a sustained organizational performance, and recommend specific competences in line with the various managerial functions for maximum impact and provide bases for allocation of organizational resources for competence development.

2. Conceptualization of key constructs

2.1 Concept of management competence

The term managerial competence can be traced to white (1957) who described managerial competence as personal attribute of cognitive intelligence which was manifested by motivation and superior work performance. It had limitation in that intelligence was viewed as a measure of academic ability and potential and was not closely associated organizational performance leading to McClelland (1973) to redefine managerial competence in relation to individual behavior which could easily be predicted. Boyatzis (1982) extended the work of McClelland by describing competence as what distinguish superior and inferior performance of managers and described competence by the traits of personality, cognitive and social skills which has been supported by many researchers. In the contemporarily world, Le diest et al (2005) describes managerial competencies as knowledge, skills and behavioral attributes required to perform a task effectively for organization to achieve it strategic goal.

2.2 Perspective and dimensions of management competence

According to Henry Mintzberg (1973), managers need to develop right skills and knowledge in order to play the various interpersonal, information and decisional roles. Liridon and Mimoza (2017), identified three perspectives of managerial competences; professional competence. Social competences and personal competences while cognitive, functional and social competences perspective are identified by Janjua et al (2012) and Kyongo et al (2016).

Mintzberg (2009a), further refined the managerial roles into four perspective of managerial competence, that includes personal competence that entails managing self (reflecting and strategic thinking) and others (time information, stress and career), interpersonal competences that involves leadership aspects of mentoring, team building, conflict resolution, building an organization culture, delegating, resource allocation, networking and collaborations, informational competencies of information gathering, disseminating analysis and processing and lastly the factional competence of negotiating, politicking and managing change Liridon and Mimoza (2017), three perspectives of managerial competences can be explained in a number of dimension; professional competence include dimension of modern knowledge, risk management, problem solving, strategic thinking. Social competences that include that of communication, change management and delegation while personal competence that entails stress management, self-confidence and decision making. Namusonge (2014) listed eight competencies that are strategies for SME as strategic thinking, administrative, leadership, interpersonal, communication, motivation, self-management and organizational knowledge. Motahareh and Sung (2017) noted the administrative, knowledge and technology, communication skills, creativity and innovativeness, networking building, business model development and financial competencies as the various dimensions of competences for entrepreneurs. Hawi et al (2015) provided a

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model based on team leadership, problem solving, strategic skills and client focus competences.

In the modern world some dimensions or attributes of the construct of managerial competences have gained traction. On spot consulting (2019) in partnership with American management association identified five out of a cluster of 46 managerial competencies that had the biggest impact on performance of business organizations that can help firms to increase productivity, adapt to changing competition with declining resources while maintaining high organizational performance. These were ability build trust and increase accountability, ability to timely develop and execute an organizational vision, being agile to changes through organizational learning as change managers, building teams and developing well-reasoned decisions through strategic thinking though understanding complex situations, analyzing data and information and challenging the status quo.

Giles (2016) in Harvard business review identified top five most important managerial competences from a list of 74 competences drawn from 30 global organizations from business leaders. These competencies entailed ability to maintain high integrity in business dealing, participation in decision making and a conducing working environment, having a shared vision through empathy and communication, ability to appreciate new ideas combined with being flexible and adaptive to change through organization learning and lastly ability to learn through experience. A study by center for creative leadership (2018) identified developing a common vision through clearly expressed ideas, allocation of resources to achieve set objective, motivation and building team, building collaborations and network and having a long term strategic intent as the important competencies for managerial. According to a report by strategic human resource management (2008), building teams and talents, collaboration and network building and agility to change shall remain the managerial competencies relevant to future business trends in face of competition and globalization.

It is from this foregoing that this paper focuses on the four dimensions in relation to managerial competence aspects of strategic thinking, network and alliance building, organizational learning and entrepreneur all of which are needed in an emerging economy, with uncertainty, and complexity. Strategic thinking is a particular way of thinking that possesses very specific and clearly identifiable attributes of system thinking, strategic intent or vision oriented thinking, intelligence opportunistic, thinking in time and hypothesis driven (Henry Mintzberg, 1994: Liedtka 1998). It creates value to customers, is hard to imitate and make organization more adaptable to change. Strategic thinking competence have several indicators based on (Liedtka, 1998)that includes system thinking, strategic intent that entails four components of foresight on needs and aspiration of the consumer, strategic architecture, strategic intent (ambitions) and core competencies emphasizing on learning, Intelligences opportunist, thinking in time and hypothesis driven. Network competence is capability of an organization to benefit from it association with other organizations by establishing a network of co-operation and competition resulting into a co-opetition relationship (Rither et al 2002). Network is described as joining hands of several businesses in a homogenous industry in order to benefit from the network resources and enter new market due to respond to globalization and trend in technology (Ngigi and Kilika 2019). Tehseen et al (2018) notes that network competencies help organization to develop and implement strategies against competitors by availing the critical resources like capital, technology, knowledge and information that an organization does not possess. Network competences can also be useful to gain and retain customers exploit complementary resources and have collective capacity for undertaking a specific type of activity (Deed and Hill 1996).Network management comprises two aspects of specialist and social. (Rither and Gemuenden, 2003).David (1993), Senge (1990), organization learning possesses five dimensions of learning: system thinking, personal mastery, mental model, building shared vision and team learning and that it leads to strategic learning where employee become aware of goals and development in the global market. David (1993), defines a learning organization as an organization that has the ability to create, acquire both from inside or outside the organization and transfer knowledge and possess the ability to adjust its behavior to reflect the this new information and insight in its future activities that bring along improvement in its activities. Noor et al (2018) describe Entrepreneurial competence as the most important intangible resource that leads to improved organizational performance and sustainable competitive advantage. The components of Entrepreneurial competences include self-image, attitude, social role and personality and trait, (Teheseen & Ramayah, 2015). Entrepreneurial competences include the competences of analytical planning, innovation, enforcement and implementation, team work, leadership and networking (Brinkmann 2006)

2.3 Adoption of managerial competence in strategic management and performance

McClelland (1973) noted that competencies could be used to predict individual job performance and they are not affected by social economic factors like race or gender and observed that performance is not related to intelligence or degree of knowledge or skill which are difficult to measure and determine. Penrose (1959):Enders (2014) posit that firms performance is a factor of quality of management which in turn is at best manifested by management competence, this is because organization achieves maximum benefits from their assets if the organization core competences utilizes the results of those resources optimally. Management competencies need to be transformed into organizational core competencies that bring about competitive advantages resulting to improved organizational performance.

Penrose (1959) terms competitive advantage as a resource that is rare, valuable inimitable and non-substitutable while, Porter (1985) identified product differentiation, cost leadership and focus as a source of competitive advantage. Barney (1991) defines competitive advantage in terms of achievement of superior performance by meeting changing customer need through differentiation, cost leadership and Porter (2012) extend and posit that for an organization to achieve and sustain competitive advantage it need to be

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unique, reshape competition through cooperation, create shared value and beliefs and culture a sense of purpose in its product or service offering. Asante (2018) posits resources and competitive environment are positively related to sustainable competitive advantage that leads to improves firms' performance. This is shared by Sadia (2011) who acknowledging that competitive advantage have association with performances and further singles out that competencies differentiate one organization with another, thereby generating unique advantages. Porter (2012) posits that organization can achieve a sustained competitive advantage position by being unique in their product offerings, re-engineering value chain activities which have greater opportunity for increase efficiency to reduce cost and market availability. In additional, the paper notes that reshaping industry competition through co-operation and competition to ensure all the players in the industry compete and also enjoy competitive advantages, through learning and knowledge transfer and availing scare resources and lastly by entrenching societal needs (creating shared values) and creating a sense of purpose on the product and services available to satisfy the unique need of consumers.

Hofstede (2001)Identified six dimension of culture namely, distance from power between the management and employees, divergence of interest between employees and organizations, avoidance of uncertainty through mitigation, tolerance and lastly belief in success, ambition and challenge, long-term and short orientation and extent and tendency of fulfilling organizational desire. Mashal and Saima (2014) terms organization culture is a collection of information, explanations, ideals, attitude, communication and simplification of behavior that offers direction to organizational employees. Muya and Wesonga (2012 defined culture as a combination of norms and values that are shared by individual that influence their interaction and that of other stakeholders outsider the organization while Fakhar et al (2012) terms culture as gained knowledge, explanation, value, beliefs, communication and behavior share by individual in the same place and time. According to Mashal and Saima (2014) organization culture an essential construct in studies on management, is a vital variable that have an impact on organizations output and has an influence on cognitive ability of an employee which enhance both strategic thinking and decision making and when beliefs and values are shared in an organization, they create a corporate culture, Azhar (2003. Culture a collection of information, explanations, ideals, attitude, communication and simplification of behavior that offers direction to organizational employees. According to Kotler (2012), organization culture is capable of enhancing job satisfaction and knowledge about problem solving. Some of the positive organization culture to ensure sustainable organization culture are; strategic thinking, culture of organization learning and knowledge transfer and relational networks (Kotze 2002).

2.4 The concept of performance, its perspective and measures

Peterson and Giljsbers and Wilks (2003), describes performance as ability and capability to use prevailing organizational resources to meet the objective as well as meet the expectation of the various categories of stakeholders. Good performance has a ripple effect as it results to profitability, which generates employment opportunities, and better earning to employees, who result to high productivity and production of quality good and service which in turn the benefit of the customer. According to Osmar and Zineb (2019) notes there is incomplete literature and there is an ongoing debate on the subject of organizational performance, the definition of this concept is general and not properly defined and there is diverse perception on the subject. Most researcher agree there is no comprehensive subjective model covering all relevant aspects of organization performance measurement and calls for review of each indicator with changing business environment as different dimension cannot be used inter changeably as different dimension represent to different aspect with varying impact. Osmar and Zineb, (2019); Selvam et al (2016) notes that there are different approaches for considering and measuring organizational performance which includes both strategic and financial performance which includes customer satisfaction, employee satisfaction, environmental performance, environmental audit performance, and corporate governance profitability, market value and growth performance.

Lebans and Euske (2006) describe performance as a set of both financial and non-financial indicators that offer information on achievement of organizations objective, performance measurement is dynamic and demand for an objective judgment and interpretation, it explain the relationship between future happening by considering the current situation, and that in order to define performance adequately, there is need to have knowledge of the futures of each area of responsibility. Anwar et al (2012) explores the possibility for adoption of the balanced score board to measure performances as it's a multi-dimensional approach that takes care of the entire organizational functional areas. Performance can be measure by utilizing the balanced score card developed by Kaplan and Norton (2004), which viewed performance in terms of aspects of financial performance, customer satisfaction, innovation, learning and internal processes. Another measure is the performance prism(Neely, Adams, & Kennelly, 2002) that offers a comprehensive measurement of business issues and variety related to shareholders satisfaction, capabilities in terms of people, practice, technology, for current and future business need, processes, strategies and stakeholders contribution. Malcolm Barding model focus on encouraging the practice of efficient control of quality for both goods and services in order to assess quality improvement effort for reward and publicity purpose of successful organization, and the last measure is Cross and Lynch, (1992) pyramid model that links strategy to operations by translating objective by top down approach and assessing performance using the bottom up approach.

2.5 Theoretical review

This literature review is anchored on the resource based view, competence and the institutional theories and supported by Porter's competitive and the balanced score card models. The resource based view as the lead theory was developed by Penrose (1959) and reviewed by Barney (1991) and notes that organizations possess resources both

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tangible and intangible which are rare and valuable and if sustained for a long period of time, they are difficult to imitate, transfer or substitute and must be combined and deployed effectively to facilitate the achievement of competitive advantage and leads to superior performance. This theory has been criticized because of the impression that resources are static and are firm specific and that organization operate in a closed environment where it does not network or collaborate through transfer of knowledge, information and sharing of resources like technology and human resources. Pfeffer and Salancik (1978) however notes that organization can outsource external resources which it does not possess to achieve its objectives. The resource based view does not consider other factors that affect a firm's resource for example environmental factors, and government regulations. The Resource based view is also criticized for its lack of an empirical base and particularly of studies consider how resources and capabilities evolve over time, nor does it explain nor identify to what extent one in practice can combine capabilities across operating, decisions or about how one can set up a structure and systems which can help a firm execute these strategies. The theory is applicable to strategic management in that for a firm to achieve competitive advantage and achieve superior performance over its peer it must develop resources that are valuable, rare, inimitable and un-substitutable.

The competence based theory was pioneered by Frank & knight (1921), advanced by Penrose (1959), Richardson (1972), Richard and Sidney (1982), Barney (1991) culminating to effort of Prahalad and Hamel (1994), and Teece et al (1997). It is an effort to bridge the shortcoming of Resource based view which considered possession of resource as a source of superior performance by an organization as compare to its competitor but did not indicate that resources are not static and need to be utilized them to achieve competitive advantage. Extract literature by Konstantinos (2008) buttress the theory in that for an organization to achieve the desired return on investment, it need to develop core competences, use them enter into a new market and experience growth not to edge out competitors but to create a new competitive space through new product and service, and market development and promptly respond to the dynamic environment thereby achieving competitive advantage and superior performance. The theory has been criticized in that competences and resources must be used together, competencies deploy organization resources both tangible and intangible in order for an organization to accomplish its goal or objective hence result into an organization capability. The theory has however contributed to strategic management especially when formulating strategies and by extension strategic planning where the organization carry out a SWOT analysis.

Paweł (2017) describe competitive advantage is the ability of an organization to outperform its peers in area like market share, product quality or technology and notes that the concept is the most discussed subject in relation to strategy and but the least understood. Most empirical studies concludes that competitive advantage existence is indicated by organization performance and can be defined as the ability to attain above average performance. Sustainable competitive advantage occurs mostly in situations of resource heterogeneity and immobility. In modern days the ability to respond by being flexible is a source of competitive advantage. Porter (1985), buttressed the concept by identifying product differentiation, cost leadership and focus as a source of competitive advantage. The concept of competitive advantage is subject to globalization process, changes in technology and emerging treads and sustainable competitive advantage mainly focus on value, time, mobility, knowledge and intellectual capital, flexibility, quickness and innovation. Extant literature support the model as resources and competitive environment are positively related to sustainable competitive advantage that leads to improves firm's performance as competencies differentiate one organization with another, thereby generating unique advantages and manager need to consider current and future competencies with direct stable unique edge over their competitors (Asante 2018, Sadia (2011).The model has been criticized in that; achieving a sustainable advantage of a firm is not the primary goal in any industry, as this largely depends on the vision. The model emphasis should be put on what the customer wants and not what the firm has to offer. Most of the strategies focus on the firm and not on the customer and differs in terms of their strengths and weaknesses' and thus not all strategies may be applicable to all firms. The model is applicable in the review as it mediates the relationship between antecedent and ultimate constructs.

Meyer and Rowan (1977), Tolbert and Zucker (1983) and Dimaggio and Powel (1983) describes institutional theory as a process by which social structures like schemes, rules, norms and routine in are considered in the development of acceptable organizational behavior. The theory posits that organizations need to consider and adapt to the context in which it exist like other industry player, government, and supply chain. It explains how organizational culture is developed through processes and practices embedded in an organization overtime. These practice become a source of competitive advantage as they are difficult to imitate. The theory describes an organization as an open system that requires a balance to satisfy internal needs and adapt to the organizational context. Extract literature support this theory as Culture has strong association with performance of institutions on learning (Muya & Wesonga, 2012), this is supported by Fakhar et al (2012) who found out that culture determines productivity and inter-organizational productivity, co-operation and customer relationship and is reinforced by common language and brings about coordination and integration among members of an organization. This theory is contributes to this review as organizations operates in a dynamic environment both internal e.g. leaders and employees, culture, management style and external factors like government policy and regulation which affects its performance.

The balanced score card model as developed by Kaplan and Norton (2005), to measure performance has four perspective: customer perspective where the customer satisfaction is measured based on quality of products or services, their prices, availability and the feedback given by the customers, business process perspective measured by how well the products or services are produced and is indicated by the gaps, new products, lead time unit costs,

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bottlenecks and losses. The third perspective is leaning and growth that analyze the training and development, Organization learning in order to gain competitive advantage and is measured by assessment of employee retention, new product development and ideas generation. While the last perspective is financial data that includes income and expenditure, ratios and budget these are indicated through profits, return on investment. Extant literature demonstrate that the model has the distinctive advantage as it has a feedback and learning element that enable organization to strengthen their strategic capability in order to respond to changes in the environment by redefining their objective and vision and incorporate new or modified initiates to achieve improved performance as compared its competitors (Mashal & Saima, 2014*).*The balance score card despite its wide spread use has been criticized because of leaving out all other stakeholders save for the customer, lack of a clear relationship with organization performance (Emad and Amir, 2015).

2.7 Emerging knowledge gaps and call for new theoretical model

The review of the duo concepts of managerial competence and performance has reveal the clear lack of a set of specific competences needed by a manager in carrying out the various managerial functions, in face of the dynamic environment. Specifically the managerial competences that developing and enhancing the individual employee competencies, connecting individual employee competences with the organizational competences in order to achieve competitive advantage and ultimately superior performance as compared to the peers. Business organization need to consider some of the new and emerging sources of competitive advantage as advocated by Porter (2012) that can enable the sustain superior performance.

The review of the conceptual, theoretical and empirical literature has awakened the need for proposal of new theoretical model on the construct of managerial competence and its association with performance especially to fully understand and appreciate the linkage of the construct with performance, two the need to confirm this emerging phenomenon and lastly the desire to scientifically advance knowledge and understanding of the construct of management competence is face of the undefined role of managers in face of changing business environment.

3. Proposed Theoretical model

Based on the reviewed literature and the desire to narrow down the gaps identified by researchers, and the desire to fully understand the phenomena of managerial competences, its associated attributes and their association with firm's performance in face of a changing environment and with the intention of to guiding and providing a firm basis for future research, the following model is proposed.

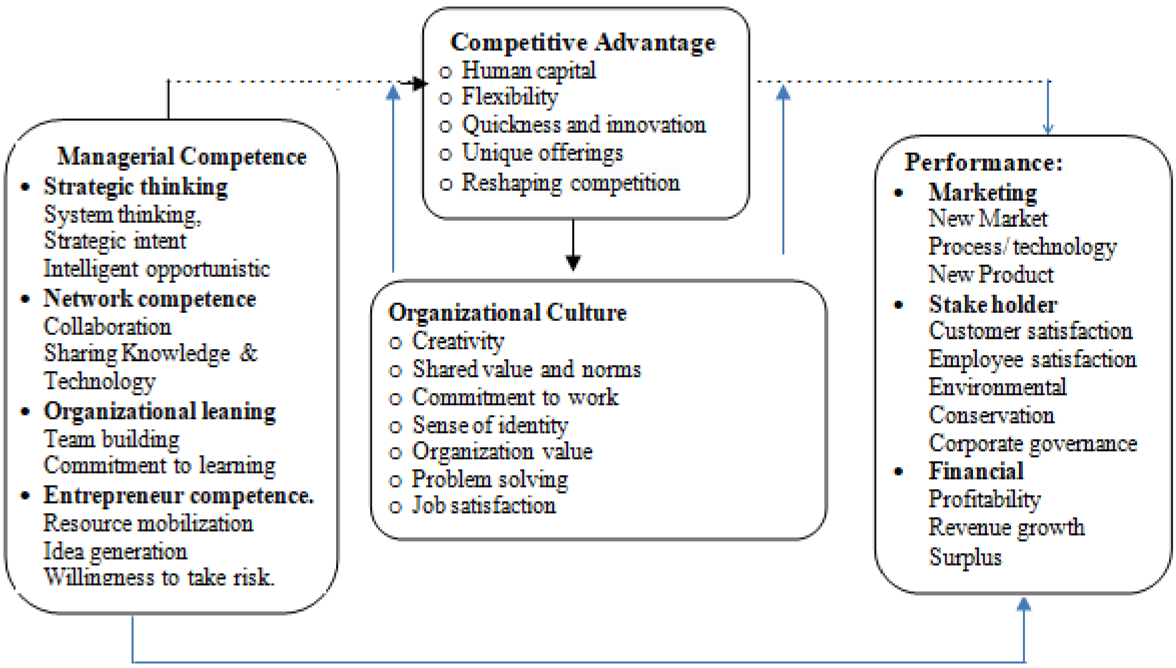

Figure 5.1 (source: Author, 2020)

3.1 Management competence and performance

The four construct of strategic thinking, network, organization learning and entrepreneur competences represent the antecedent construct and represent each of the four dimensions of managerial competence as indicated by Mintzberg (2009a).Kiongo et al (2016) noted that competence is a resource related to competitive advantage as it rare, valuable, inimitable and non-substitutable and competitive advantage has a positive and significant relationship with performance this implies that management competence though has positive significance with performance.

Proposition 1: Managerial competence has significant association with performance.

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3.2 The role of firm competitive advantage

According to Ama (2013), competitive advantage are organizational intangible assets, attributes or abilities that are valuable, rare imitable and non-substitutable and generally firm specific that provide a superior and favorable long term strategic position over organization rivals and originate from individual employee innovativeness, process, technology, possession of strategic knowledge and information and organization ability to invest in research and development. Katarzyna and Zdzisława, 2014) notes that top management need to encourage employees to voluntary cooperate develop creativity, innovativeness in solving problems, by motivate them and continuously improving their skills knowledge and behavior. This leads to innovations interms of new market, product or services and technology, which enable the organization to achieve competitive advantage. Similarly organization needs to reconfigure and modify their resources and capabilities in order to develop competencies that are unrivaled thereby providing them with competitive advantage. In the above model, sustainable competitive advantage represent the immediate outcome, and that competences must be offer competitive advantage in order to achieve superior performance, Boyatzis (1982).

Proposition 2: That managerial competence needs competitive advantage to achieve superior performance.

Proposition 3: Competitive advantage will determine the strength of the relationship between managerial competence and performance.

3.3 Effects of organizational culture.

According to Mashal and Saima (2014) organization culture an essential construct in studies on management, is a vital variable that have an impact on organizations output and has an influence on cognitive ability of an employee which enhance both strategic thinking and decision making. According to Kotler (2012), organization culture is capable of enhancing job satisfaction and knowledge about problem solving. Organization culture need to be responsive to needs of both internal and external environment for organization to meet it vision and objective. The impact of culture to organizational performance can be made clear by considering its functions of providing sense of identity to members, enhancing commitment, entrenching organizational value and influential behavior by acting as a standard way of doing things and therefore culture can be a constraint or an enabler of achieving organizational performance.

Proposition 4: The effects of managerial competence and performance will be moderated by organizational culture.

Proposition 5: The effects of managerial competence and competitive advantage will be moderated by organizational culture.

Proposition 4: The relationship between of competitive advantage and performance will be affected by organizational culture

4. Conclusion and Recommendations

Arising from the review, the concept of managerial competence a number of conclusions can be conclude; first majority of the studies have largely being conducted in developed countries, secondly, the need to improve on research design by including both longitudinal and cross-sectional design and finally there is need to be multidimensional study of the construct. The review literature also demonstrated that despite the increased interest in the construct of managerial competence, there exist a number of gaps in that a common definition remains elusive for the construct and it attributes of more in strategic thinking, there no clear link between the construct, strategy and performance, there remains mixed findings on the relation between some attributes like entrepreneur competence and performance, some attributes like leadership effectiveness and network and organization learning competences are difficult to measure and there is need to identify additional performance indicators and lastly there is lack of clear set of specific competences needed by a manager in carrying out the various managerial functions, in face of the dynamic environment.

The proposed model in this reviewed literature is expected to fill into those gaps in the literature of the management competence and help link the concept with competitive advantage and performance in an organization context, and accordingly help organization in policy formulation while developing employee competence, foster the understanding of the concept by consultant and practitioners. There is however need to undertake future research to test the model under different context, research designs and multidimensional approach for generalization and acceptance. The review recommend be applied to in manufacturing industry to assist the government attain one of the big four agenda.

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