

## **The impact of cognitive competence on improving organizational reputation applied to telecommunications companies in Egypt**

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### **Abstract:**

This study investigates the role of cognitive competence in improving the organizational reputation of telecommunications companies in Egypt. The study will be applied to four companies: Telecom Egypt, Vodafone, Orange, and WE. The study explores how the dimensions of cognitive competence (information technology, decision-making process, and creative thinking) affect organizational reputation. Using a descriptive-analytical approach, data were collected through a specially designed questionnaire and statistically analyzed. The results indicate that the dimensions of cognitive competence (information technology, decision-making process, and creative thinking) contribute to improving the organizational reputation of telecommunications companies, highlighting the importance of information technology, decision-making process, and creative thinking in improving organizational reputation.

**Key Words:** Cognitive competence, information technology, decision-making process, creative thinking, organizational reputation, quality, Appeal, performance, responsibility, telecommunications companies.

## دور الاقتدار المعرفي في تحسين السمعة التنظيمية بالتطبيق على شركات الاتصالات في مصر

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مدرس بأكاديمية السادات للعلوم الإدارية

### المستخلص:

تتحرى هذه الدراسة دور الاقتدار المعرفي في تحسين السمعة التنظيمية لشركات الاتصالات في مصر. حيث سيتم التطبيق على أربعة شركات وهي (المصرية للاتصالات، وفودافون، وأورانج، وWE). تستكشف الدراسة كيف تؤثر أبعاد الاقتدار المعرفي المتمثلة في (تكنولوجيا المعلومات وعملية اتخاذ القرار والتفكير الابداعي) في تحسين السمعة التنظيمية، وبالتالي من خلال نهج وصفي تحليلي، تم جمع البيانات من خلال استبيان مصمم خصيصاً وتحليلها إحصائياً. تشير النتائج الي ان أبعاد الاقتدار المعرفي المتمثلة في (تكنولوجيا المعلومات وعملية اتخاذ القرار والتفكير الابداعي) تساهم في تحسين السمعة التنظيمية لشركات الاتصالات مما يوضح أهمية تكنولوجيا المعلومات وعملية اتخاذ القرار والتفكير الابداعي في تحسين السمعة التنظيمية.

**الكلمات المفتاحية:** الاقتدار المعرفي، تكنولوجيا المعلومات، عملية اتخاذ القرار، التفكير الابداعي، السمعة التنظيمية، الجودة، الجاذبية، الأداء، المسؤولية، شركات الاتصالات.

### Introduction:

Cognitive skills are more important in modern industries that use a lot of technology (Hardy et al., 2019). Over the past forty years, research on workplace cognitive competencies—such as decision-making, problem-solving, creativity or innovation, knowledge acquisition, and learning tasks—has demonstrated

their validity and usefulness in forecasting workplace performance in various contexts (Boyatzis et al., 2017; Rozhkov et al., 2017).

A person's "capability or ability" linked to a motivation that affects the accomplishment of goals and objectives is referred to as competence. An employee "must know" and "be able to do" these competences in order to do a task successfully. Competencies are traditionally described as "the underlying characteristics of the person that lead to or cause effective or superior performance" by Spencer and Spencer (1993). Scholarly interest in the concept of competences has emerged as a result of the growing dissatisfaction with the conventional measurements of cognitive intelligence (Boyatzis et al., 2017).

Competency, according to Yamali (2018), is a quality of an employee that supports both the accomplishment of organisational goals and good job performance. It has also been verified that competence encompasses knowledge, skills, and talents as well as other traits like self-control, motivation, initiative, and values reflected in the work.

Particularly in studies that look at professional performance, these competences explain a significant portion of the variation in performance at work (Ryan et al., 2009). A condensed framework of competences is included into emotional, social, and cognitive domains by Spencer and Spencer (1993). As the

need for analytical and conceptual thinking to complete tasks at work has increased, there has been a recent surge in interest in cognitive competencies in the workplace. People with cognitive capabilities are thought to be better able to analyse situations and information at work. They assist people in approaching jobs by considering them as a part of a bigger system rather than as discrete parts (Addison & Akoff, 2010).

These cognitive skills can be improved through individual interventions including learning, monitoring, and regulation rather than being limited to an individual's personal characteristics (Bonesso et al., 2018).

A worker's readiness, which incorporates aspects of logical and analytical activity and demonstrates a genuine relationship to objects of cognition, is what forms cognitive competence during cognitive activity. It encompasses the capacity to work independently with knowledge, create objectives, plan, analyse, and evaluate one's own cognitive activity (Kassymova et al., 2020).

Business companies today heavily rely on information technology to maximise earnings (Ausat, 2023). Many businesses have found that information technology offers significant advantages (Kraugusteeliana et al., 2022). If the organisation has excellent human resources in the sector of information technology, this condition can be achieved (Ausat & Suherlan, 2021).

This makes perfect sense: how can a company thrive, endure, or remain competitive if people aren't the primary force behind technology? Any corporate organization's vision and mission depend heavily on its human resources (Almeshref & Khwanda, 2022; Nur'aeni et al., 2022; Ausat et al., 2023).

This fact highlights the inseparable deciding aspects of people and information technology. Together, they create a cohesive whole (Subagja et al., 2022). The business will fail if one is not able to maintain the organization's drive for success (Tarigan et al., 2023).

This implies that companies need to have top-notch IT human resources if they have aspirations of becoming market leaders, boosting profitability, and fostering consumer loyalty (Chong et al., 2022; Muhamad et al., 2023).

For instance, having the ability to adjust to the market and innovate there by continuously being creative and innovative (Hopia et al., 2023). These reasons make it abundantly evident that businesses should not solely rely on their prior achievements in order to compete and thrive in the modern day (Teece, 2018; Sutrisno et al., 2023; Prastyaningtyas et al., 2023; Harahap et al., 2023; Sutrisno et al., 2022).

By offering real-time information and analytical capabilities, information systems have also facilitated decision-making. Businesses can obtain insights from data, including patterns,

trends, and other aspects of the market, by utilising big data platforms and integrating machine learning algorithms. Additionally, through consumer analysis and feedback, IS participates in important corporate management choices in areas like product development, marketing, and customer relations management. As a result, businesses may create more appealing advertisements, create goods that consumers want, and boost sales satisfaction and devoted clients (Hera et al., 2024).

Creativity is one of the most valued human qualities in the modern world. People typically associate creative thinking with a certain career, such as the visual arts, music, or theatre. Nevertheless, because it deals with creative concepts that offer answers to issues relating to the workplace, it is crucial for all fields (Ahmad et al., 2020).

Employee creativity, which is the development of novel and advantageous concepts pertaining to services, procedures, products, and processes, is undeniably essential to organisational effectiveness (Liu et al., 2021).

For this reason, businesses concentrate on enhancing creative worker skills by utilising their potential (Zhu & Zhang, 2019). Organisations are placing an unprecedented emphasis on employee creativity (Liu et al., 2021), demonstrating the significance of employee creativity.

According to creativity literature, limitations, pressures, or any other social-environmental circumstance or event may reduce or impede geniuses' creative activity (Amable & Pillemer, 2012).

A company's success and position in the market are greatly impacted by its corporate reputation, a complex intangible asset. Stakeholder perceptions, corporate social responsibility (CSR), and successful communication tactics are some of the variables that influence it. Ge Gao's research emphasises how corporate reputation mediates the improvement of company performance through corporate social responsibility (CSR), implying that performance can be positively impacted by reputation enhancement when economic, legal, ethical, and charitable obligations are met (Gao, 2024).

Igor Korzhevskiy highlights the strategic value of reputation in transparent and competitive markets, where a solid reputation can draw in investors, boost capitalisation, and give an advantage over competitors. (Korzhevskiy, 2023).

Proactive reputation management, according to Nirvana Bechan, is crucial for upholding a favourable company image, which is necessary for accomplishing organisational objectives and acquiring a competitive edge (Bechan, 2022).

One popular way to gauge a company's reputation is its ranking with competitors (Tao & Song, 2020). According to Lee (2020),

corporate reputation is a general assessment by external and internal stakeholders about an organization's current and future positions based on past activities.

According to Bardos et al. (2020) reputation is essential to a company's ability to survive and thrive during difficult times in its life cycle. This is in line with Tao and Song's (2020) study, which found that having a solid reputation helps firms perform better both before and after a crisis.

### **Opening Word:**

Organizations currently face significant challenges as a result of rapid developments in the competitive market, exacerbated by investment in information technology, which has enhanced their operations and created a rapidly changing environment. Here, the role of human resources emerges as a critical asset in supporting organizations' operations, requiring them to possess a level of cognitive competence to fulfill their role. This is positively reflected in everything related to the nature of the organization's work and activities, and is clearly evident in the level and quality of the services and products they provide, which paints a positive image of the organization's work. This positive image is reflected in the opinions of customers and stakeholders when they engage with these organizations with confidence. This positive image represents the organization's reputation, built on the cognitive competence of its employees. Therefore, this study examines the



role of cognitive competence in improving organizational reputation in Egyptian telecommunications companies. The study investigates the impact of cognitive competence on improving organizational reputation. Using a descriptive and analytical approach, this analysis highlights the role of cognitive competence in improving organizational reputation, providing valuable insights for organizations seeking to enhance their organizational reputation.

### **Study Brief:**

The study aims to analyse the role of cognitive competence in improving the organizational reputation of telecommunications companies in Egypt. The study uses a descriptive-analytical approach, collecting data through questionnaires.

The study results reveal a positive relationship between cognitive competence and organizational reputation, as information technology, the decision-making process, and creative thinking play a significant role in improving organizational reputations.

The study recommends that telecommunications company management employ the dimensions of cognitive competence (information technology, the decision-making process, and creative thinking) in all their activities and operations, as they significantly contribute to work motivation and the realization of

greater opportunities, in addition to enhancing the organization's reputation and value among organizations.

### **Objectives of the study:**

The study aims to achieve the following objectives:

- To study the relationship between cognitive competence and organizational reputation applied to telecommunications companies in Egypt.
- To investigate the impact of information technology on organizational reputation applied to telecommunications companies in Egypt.
- To investigate the impact of decision-making process on organizational reputation applied to telecommunications companies in Egypt.
- To investigate the impact of creative thinking on organizational reputation applied to telecommunications companies in Egypt.

### **The hypothesis of the study:**

The study is based on testing the validity or incorrectness of the following hypotheses:

**Main Hypothesis:** There is an impact of cognitive competence on organizational reputation in telecommunications companies under study.

**H1:** There is an impact of information technology on organizational reputation in telecommunications companies under study.

**H2:** There is an impact of decision-making process on organizational reputation in telecommunications companies under study.

**H3:** There is an impact of creative thinking on organizational reputation in telecommunications companies under study.

### **Methodology:**

This study relies on a descriptive analytical approach using both secondary and primary data to examines the relationship between cognitive competence (as an independent variable) by measuring the extent of the following dimensions: (information technology – decision-making process - creative thinking), and the success of organizational reputation (as a dependent variable) by measuring the extent of the following dimensions: (quality - Appeal – performance- Responsibility). The study population consists of employees working in telecommunications companies in Egypt. The study collects data through a questionnaire specifically designed to test the hypotheses, and the primary data collected using the questionnaire were processed with some statistical methods to summarize and describe the correlations and effects between the study variables.

### **Study Results:**

The study reached several results, the most important of which are as follows:

- The current study found that there is a high level of attention to the cognitive competence in telecommunications companies in Egypt, from the perspective of the study sample, and the dimensions' ranking in terms of availability: (information technology), (creative thinking), (decision-making process). This means that the research sample employees are convinced that companies use modern technology and that these technologies contribute to preserving, archiving, and retrieving information when needed.
- The study found that there is a high level of availability of the dimensions of organizational reputation in telecommunications companies in Egypt, from the perspective of the study sample, and the dimensions' ranking in terms of availability: (performance), (quality), (Appeal), (Responsibility). This confirms that financial performance results appear quickly at the beginning of each year for use in the following year.
- The employees of the research sample companies have high cognitive competence and do their best to perform well in the workplace, and this has played a distinctive role in achieving

the high organizational reputation of those research sample companies.

- It was found that there is a positive correlation between the dimensions of cognitive competence and the variable of organizational reputation in each dimension (information technology, decision-making, and creative thinking), as this correlation was significant. This is evidence of the importance and role of cognitive competence in telecommunications companies and its ability to achieve a good organizational reputation for these companies, the research sample.
- The results showed that the impact of cognitive competence on the organization's reputation at the level of the telecommunications companies in the research sample was represented by information technology first, then came after creative thinking, and finally came after decision-making in terms of its importance in achieving organizational reputation. This is evidence that the dimensions of cognitive competence had a real contribution and a noticeable embodiment in the systems of the telecommunications companies under study.

### **Study Recommendations:**

In light of the results of the studies, several recommendations have been proposed, the most important of which are:

- The necessity for the administrations of telecommunications companies in Egypt, the research sample, to employ the dimensions of cognitive competence represented by (information technology, decision-making and creative thinking) in all their activities and operations because they contribute significantly to increasing work motivation and realizing more opportunities, in addition to enhancing the organization's reputation and value by competing organizations.
- Applicants for appointment must undergo a series of tests to assess cognitive competence. Selection is based on scientific criteria that emphasize high ability and competence, and merit is determined by the results achieved from these tests.
- Establish a specialized department for knowledge management, and encourage employees to attend training courses and scientific seminars that contribute to the knowledge enrichment of all employees.
- Increasing the scope of participation in decision-making by listening to different viewpoints. This is done by holding meetings and seminars that contribute to conveying viewpoints about the level of performance and strengths and weaknesses in order to overcome problems and find solutions to all obstacles.
- Activating the process of transferring knowledge, expertise, and skills between departments and branches in

telecommunications companies, given its important role in improving performance.

- It is necessary to provide an appropriate environment that encourages telecommunications company employees to be creative and excel, as this will positively reflect on improving and advancing their performance.
- The research sample requires the telecommunications companies to make more efforts to manage their organizational reputation by paying more attention to the quality of their work.
- The necessity of invoking the dimensions of cognitive competence in the field of telecom companies' work in a way that covers information technology, decision-making, and creative thinking to indicate the attractiveness of the companies being studied in achieving their goals.
- It is necessary to pay attention to the variable of cognitive competence because of its significant impact on telecom companies achieving the highest levels of performance and thus achieving a good organizational reputation.

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