



The control function and follow-up the privatization process: The reality of the Algerian experience

Dr. Mahfoud Bouksibat

Economics, management and commercial science Faculty, Guelma University, Guelma, Algeria

Abstract

The study try to clearing the algerian experience in control and forward of privatisation process, and for geting this aim goal, we have returned-back to the different organs and establishment charged by that function ,in other to look for their opinion and evaluations,pulled-out from their real practice and experience,in other to be analysed and studied truth ansering the following questions:

- What is the nature of the organization used to control and follow-up within the framework of privatization process in Algeria?.
 - What is the nature of the procedures followed?
 - How effective are follow-up actions from the viewpoint of actual operation, the success of the privatization?.
- That what can helps to give a clear idea of privatization's control function in the Algerian experience.

Keywords: privatization control, forward and control process, organs for forward and control, Algerian experience

1. Introduction

The adoption of any economic policies that can develop the level of effectiveness and performance in the sectors of any economy, mainly focused on those reforms that affect the enterprises of those sectors, privatization is considered as one of the most important practice of the countries belonging to the belief of socialist economies of the countries formerly within the framework of reforms and transition to openness and marketing. It is a form of rehabilitation strategies which includes dynamism and change. It requires a knowledge and familiarity with fundamental methodology and tools, as well as various techniques, so that it would be conducive to what is meant by adoption. As any reform is accompanied by the organization and advance preparation, such as enacting laws and set the stages and the methods, and the recruitment and the adoption of techniques and public or private procedures with the duty to control, as a prerequisite for the success of that goodness.

Our study is a tributary of another larger study concerning the reform strategy in Algeria. It is devoted to the concerns of monitoring or follow-up to the privatization process in our country, where we did not find specific studies the fact that made us believe it is so important and have a strong motivation to study. The study at hand is carried out to clarify the most important concepts associated with this aspect by the experience of privatization in Algeria, and by answering the following questions:

- What is the nature of the organization used to control and follow-up within the framework of privatization process in Algeria?
- What is the nature of the procedures followed?
- How effective are follow-up actions from the viewpoint of actual operation, the success of the privatization?

We have worked in the folds of this study to solve the problem at hand to make sure the following research hypotheses:

- In spite of the fact Algeria has been completing privatization of many of its economic enterprises, it remains suffering from deficiencies of the organization or activation in the area of monitoring and control which require a supplement and improvement.
- The deficiency that may appear in this level may be due to different reasons.

2. Curriculum and tools used

2.1 Methods used

This study falls within the type of exploratory studies, and which is considered as a small handling in the field of organizational and procedural interested in this study, so this gives advantage to the latter at least in the field of study adopted.

We tried to use research methods to help take as much as possible aspects of the topic, so we used displaced descriptive, which in terms of being descriptive, it described the study where we tried to control the reality of the pension area of focus for the study, the form which allows to limit the most important data associated with it, and work the study and analysis because it is necessary to answer the problem at hand, and make sure hypotheses introduced. We also used mathematical statistical supports through the use of statistical techniques, as represented by ratio analysis, in both those related to field of study or those ratios related to the analysis of the answers provided by the interviewed statistical sample in the study. The method, we used, was the comprehensive survey of members of the community's considered because of the specificity of the field of study.

2.2 Research tools used

We have used different research methods which are summarized in the following:

- **The questionnaire:** Which is the central research tool for the study since it includes the questions so that the component, the various aspects related to the subject of study.
- **Interviews:** Through the fact that the retrieval of those forms, has been accompanied in most cases, an interview with some officials responsible of the privatization process, at the level of bodies and companies conduct which formed the contributions of the sample studied, in an attempt to deepen the understanding of the experience.
- **Observation:** It's used in parallel with the interviews, to allow controlling the image clearer and more realistic, especially in cases to avoid some of informants to the questionnaire or to answer some questions.

3. Research sources used

We have used in the study sources of different researches, mainly information from the questionnaire distributed. Then a lesser extent, some references and books related to the ethics of the subject, as well as some of the reports of the bodies responsible for the conduct of the process of privatization, and solutions to reconcile the data of those references and data side of the field to maximize more the benefit.

In the study at hand we dealt with a central focus on the Algerian experience in the field of privatization, namely the axis which is linked to the process aspect of follow-up.

this study has initiated with a theoretical side that adjust various literature that also serve around the topic of an oversight function from the standpoint of scientific management, and then turn to the practical side through the presentation of the organization of this function at the level of the bodies responsible for, then we have supported it with practical part which we have worked through view and analyze the results' answers to the questions of the questionnaire for the post follow-up according to the experience of the practice bodies.

4. The control function.

4.1 General concepts

4.1.1 Concept

One of the triviality culture that steering control is one of the most important functions that are used effectively in order to achieve the desired goals by working to follow the procedures and actual operations as possible and make it compatible with the plans noticed. Accordingly, we have found that "Fayol" who identified it as" a process to verify whether the events or practices is going according to plans drawn up and the instructions issued and the specific principles."

In doing so interact with the planning function directly as it is clear from the definition, so that they form both functions (planning and control) the parties to the scissors shows the two agree all deficiencies or increases in the actual performance, where the deficiencies and increases form, what is known as deviations, we have found that "Goetz" stresses the relationship between these two posts where he says: "Planning looks at the development of appropriate programs and integrated, while control is done to force events that take

place in accordance with set plans".

4.1.2 Steps principles and areas of the control function

First: Steps to control

Control is usually confined to five basic steps.

- a) Specifications and standards: They are derived mainly from the plans, and at this level highlights the integration between planning and control, and can be limited to the most important criteria in:
Criteria for Profit: the margins, profitable growth, turnover target. etc.
Market standards: as a plan promotional campaigns, distribution, and targeting specific sectors of the market. etc. In addition to a set of criteria related to productivity, and time standards and technology, and financial cost-, and standards of conduct of individuals and the workforce.
- b) Measuring the results: using various means of tracking and measuring to get the results of actual implementation.
- c) Compare the results with estimates: By doing this step, we can calculate and extract the differences and deviations between the expected performance and actual performance resulting from the implementation and practice.
- d) Corrective actions: This is in cases where the deviations in the non-reconciliation of the organization or body concerned with, since corrective action is taken, but if the proceedings in their favor, this element is heading toward maintaining these results by working to understand the causes and to provide such reasons as much as possible. Then look at the possible development (3).

Second: The principles of control

The control as a function of basic management practices a set of principles can be summarized as follows (4):

- The principle of orientation towards the future and to identify control points.
- The principle of control by exception: exception is chosen in important areas, and have here on the control to achieve the benefits outweigh the costs incurred in delivery, and this principle is in line with the principle of control of strategic points.
 - a) Arbitrary classification principle: Here in the selection of the sample control, either in the control or control of the exception strategic points.
 - b) The principle of the economy, and the principle of responsibility:

This principle concentrates on the cost-effective control due to the economy resulting from the expenditure, and allows the identification of positions responsible for the deviations before making any decision.

Third: the areas of control function

In accordance with the foregoing, the control areas of intervention are numerous and various, it can restrict the most important are as follows (5):

- a) Control objectives: to ensure control over the targets need to be in line with expectations to be achieved, and to achieve higher goals of the organization or body which have been undertaken, as it is obvious that achieving the ultimate goal requires the division of general objectives to procedural ones.

- b) **Control policies:** It is wider than the former as it goes with the overall objectives, and exercise by monitoring whether the policies comply with the code of the environment and the organization's mission.
- c) **Control procedures:** To control the breakdown of performance into practical action and to ensure their contribution to the achievement of objectives.
- d) **Control of the organization:** In the areas of intersection between the functions of supervision and regulation, so much the adequacy of the tasks assigned to individuals and interests, and the extent and consistency in serving the goals and plans to be achieved.

And to expand areas of application of the oversight function as an administrative function, it is recognized that expanding this functionality widening that range. Censorship in organizations and small agencies are not the same as in the organizations, bodies and large departments, since the latter requires the success of the control function which should be entrusted to an organization or a specialist, and it requires the following:

- **Independence:** A basis of the objectivity over the reports and the performance of the oversight function.
- **Continuity:** This is to ensure that the results of control in an integrated and cumulative way which makes performance continues to improve, and this can not be guaranteed only by maintaining the continuity of structure or control system in the exercise of its functions effectively (6).

4.1.3 Types of control and the requirements of its efficiency

First: the types of control

The oversight function, in accordance with this multidimensional aspect several divisions vary according to perspective adopted (7), it's divided according to political, administrative outlook,, or on the basis of the organizational level, or the division of control, according to the timing, conduct and implementation, and this division tackle also with the nature of the study at hand, so we find the following types (8).

- a) **The former control:** It is also called preventive control, which affect the review of the plans and procedures in order to avoid the mistake in the plans, as the expression of a preliminary investigation on the desired goals, but censorship plays a preventive role here.
- b) **Simultaneous control:** This control is synchronized with real-time performance, so that it is intended to detect errors when you commit, try to make the necessary corrections and timely so as not to expand the extent of such errors in the future.
- c) **Post-audit:** It is also called a posterior control or treatment. After the completion of the practice and implementation of the various plans and procedures, and here the intervention to treat deviations and taken into account when any process or similar procedure in the future.

Second: The control effectiveness' conditions

The control function of any kind, requires availability of a number of requirements in order to achieve effectiveness as a

management function, and can be summarized these requirements as follows (9):

a) **Linkages with planning and decision making:**

Censorship is originally built on the basis of careful planning and to be followed, it forms a link effectively with the system to take decisions, where they are corrective including those caused by simultaneous control. It requires decisions correct and accurate decisions. It corresponds to the nature of the short time taken.

b) **Coherence with the organization:** This is a control intervention in controlling the form of organization and organizational structure, and to ascertain if it goes with the requirements of achieving the goals, in terms of goals and responsibilities.

c) **Flexibility:** The control system should be characterized by flexibility, as it corresponds to the requirements of the sudden change of plans for one reason or another, or the appearance of emergency impede good performance or preventing the achievement of desired goals, and this provides good flexibility in the performance of the control function.

d) **Speedy deviation detection:** The good timing to detect deviation is an important part in identifying and controlling its causes, decision-making and corrective actions should be necessary and appropriate, in terms of the timing of intervention and the duration of corrective actions.

e) **Cost:** The costs take into account audit work in terms of the benefit that may bring to the organization, and work to achieve the optimum balance between the two sides as possible in case where the benefits could not be more than costs.

f) **Clarity:** The success of control needs clarity in both performers as those who apply to, and through the media or training courses, vocational training, particularly if necessary to follow the complicated procedures or means of sophisticated style and technology, which in turn require control carefully and effective control.

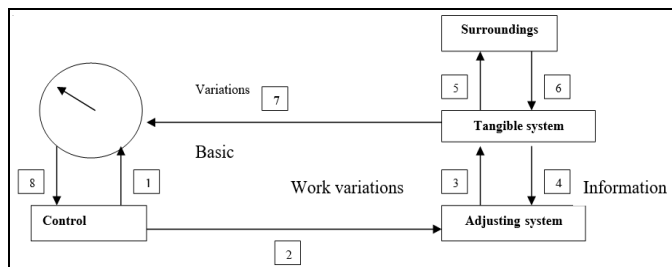
g) **The accuracy and objectivity:** It includes accurate data which are provided, and which have come from the methods used, the objective evaluation of data impinge on the credibility and impartiality of subjectivity.

4.1.4 Systematic dimension of the control function

Due to the importance of oversight in the work to achieve balance, and because of its close association with practical functions, inspection, monitoring and supervision, evaluation and control, it works accordingly to achieve the desired goals, by ensuring appropriate action is proceeding as planned, supervision and follow-up to the level of individual operations and stages, in order to assess the degree of achieved objectives and control the process performance, through corrective actions when deviations appear.

So the inclusion of the concept of (Cybernetique) (10), which was developed by "Wins", to include after the oversight function in the administration : how we could see the modern institutions (formats and formats Open), which gives an important place to the theory of systems in the entreprise, particularly the concept of adverse nutrition and self-correction of the system.

We dealt with the concept of auditing which does not mean it systematic information Systems Corporation as information systems, the discourse here about the system deals with, among other inputs, and offers a range of outputs, and feeding the counter help to assess and evaluate its performance and can offer the following form as streamlining of the concept of control system:



Source: P. lauzel, Contrôle de gestion et budget, P.13.

Fig 1

The format: control and modify the system. It shows us the shape of four interactive parties: the first concrete physical system is the institution or organization, then the outside world: the context where the organization is operated, then find a system modification, and control.

We find that the control contributes in setting goals (arrow 01), these objectives referred to as the key variations, and thus alter the variations of work for the justice system that interacts with the material side of the concrete of the organization or institution, where their activities spin in the interaction with the surroundings taking and giving (the arrow 05-06), and work of those three parties (the environment, the organization, system modification), to provide the basic variables (arrow 07), and in the achievement of these variables, values are acceptable, interfere with the control declaration deviations (arrow 08), and set new values to the variables of the adjusting system (arrow 02) and a failure in the attempt leads to a change in the objectives (arrow 01) (11).

The diagram shows how control interacts with decision-making systems in the organization, along with its objectives and principles and requirements of the different ways the performance demonstrates the importance of control and status of the various organizations has been emphasized by "Samuel Eilon" (12) in his book (MANAGEMENT CONTROL) said, "can not be MANAGEMENT cannot be without the control process."

It is noteworthy that the provision and control system design in terms of its components, does not necessarily mean that this system will work which properly achieves the desired goal of their situation where they can be subject to things to control without a guarantee for optimal performance (13), but to be sure about it and work to avoid it through the work of the system and identify weaknesses and work to strengthen with time, so that the system could not cost more than what is expected to offer from the abundance in costs and expenses.

Control and follow-up

Among the expressions and terminology that is encountered frequently in management studies steering, find the word "follow-up" and means control, a term which tend to be used

for the remainder of our present study, so we see that it is better to adjust the concept conceptual control the actions and recommendations and methods of control over the privatization process in Algeria, together with the fact that this term preserves the essence of the job and reduce the negative perception of the concept of control as closely monitored with the classic dry nature, we can consider the follow-up here as a kind of censorship in which the surveillance the oversight in the performance and functionality censorship at best is so keen each to achieve the objectives the best way. It also includes the concept "follow" the concept of control concurrent, which means it has a continuous function with the processes of privatization from its beginnings until the end, so that it gives the serious nature in carrying out the responsibility entrusted to the area responsible of the process of control and which turn to set forth and identified more than during the following part of the study at hand.

4.2 The organization of monitoring and follow-up the privatization process in Algeria

Reference to the command 4.1 on the organization and conduct of the privatization of public economic enterprises (14), with respect to control and monitor the progress and implementation of operations, we find that it refers clearly to assign the Ministry of Industry and conduct of the state's shares this mission, and was intensified in this task as well as through Executive Order 05 - 309 of September 7, 2005 (15), and attachment showing the tasks entrusted to the Ministry of Government's contributions, which can be summarized as follows:

- Ensuring the follow-up to the obligations of buyers of privatized enterprises.
- Follow-up to the conduct of the state's shares in the institutions where the government has the minority, as well as possession of the State to private equity in privatized enterprises.
- Follow-up implementation of recommendations and decisions adopted by Council of Government's Contributions and the processes of privatization associated with them.

From the structural point of view, the oversight of the process of privatization in Algeria set up a monitoring committee under the decree 04/01 of the above, and then explained its functions and functioning by the Executive Decree 01-354, which puts it under the tutelage of the Prime Minister and Minister in charge of contributions of the government to judge the files which are posed by the latter in accordance with the rules of honesty, transparency and justice (16).

This is why an organization at the ministry-level body is set up next to provide for follow-up operations, and named: the "circle of support and follow-up operations" "DAST", which ensures follow-up the following points:

- Monitor the implementation of Council resolutions, Government's contributions.
- Follow-up implementation of the obligations of both the Government and the buyers of privatized public enterprises.
- Follow-up to the conduct of the Government's contribution in case they represent a minority, and the conduct private share.

4.2.1 The nature of the follow-up: The two characteristics of the follow up are

a) Administrative follow-up

A follow-up to the framing of the various administrative transactions and transformations, so as to favor the privatization process in terms of accumulation of experiences, as well as standardization and unification of conversion processes, which are so related to:

- To provide an effective inter centralized procedure serves all the ministry, and to be able to collect and classify the various files and documents relating to the privatization, at the level of support service, so that a reference of all documents and components, files and privatization transactions.
- Provide a list of the various processes of privatization and partnership, which contains the list of processes authorized by the Council of Government's Contributions.
- Ensure the renewal and modernization of the lists to the various processes of maintaining the chronological order, and shows all the developments subsequent to each operation, make sure to check out the commitments by all contracting parties.
- The establishment of special procedures that would facilitate the exercise of their responsibilities and as well as the implementation of the recommendations, and avoid unnecessary complexity in administrative procedures.

b) Technical follow-up

It is concerned with the technical aspect of the privatization process and is interested the following:

- Follow-up the actual implementation of the various procedures that appear in the recommendations and resolutions of the Council of Government's Contributions.
- Protecting the rights of buyers of the enterprises at the end of contracts to waive the conditions specified by the Council of State Contributions.
- To review and scrutiny, especially in the case of disputes, in order to determine responsibility and benefits of the commitments made between the contributions to the conduct of companies, investors, buyers of the enterprises.
- Develop a consultative framework between the new owners and management companies contributions and superior administrations to solve the disputes in a friendly way, and to avoid suspension or the cancellation of transactions.
- Provide reports to the council on the contributions of the Government implementation in the decisions taken.

4.2.2 Regulation used in the follow-up transactions

The organization the current pivotal plays a role in the conduct of companies, shares, and remains at the level of the ministry to intervene in order to monitor and follow-up the operations as well as to support the various actions taken by these companies for the implementation of various decisions.

At the first level of the ministry in charge, which includes follow-up by the body referred to earlier "DAST" - Support Service and follow-up transactions – which is based on the following:

- Ensuring the effective implementation of the resolutions of the privatization, and completing operations assigned to the conduct of companies contributions concerning the

decisions and recommendations of the Council of Government's Contributions.

- Allow the Exercise of full responsibilities of the Ministry, without prejudice to the functions of corporate management contributions.
- Preparation of fair periodic reports on the objectives completed and send them to the Council of Government's Contributions.
- It should be noted here that at the level of the Ministry of Industry and Government's contributions, there are three bodies in charge of the privatization process:
- The department of relations with the public economic enterprises "DREPE".
- The department of big enterprises "DGE".
- Support Service and follow-up transactions "DAST".

4.2.3 The follow-up means

a) The contracts and documents Assignment's validity Document

In the context of monitoring the implementation of CGC's resolutions, The Ministry of Industry and the Government's contributions puts a regulation to ensure the legal validity, in terms of form and content of the various documents used in the transactions, in order to take these documents as a starting point of a legal transfers, as they contain transfer contracts and agreements between partners, these documents must be transmitted to the MISC to confirm and acknowledge their validity, for each operation.

Where a deficits can be found in one of the points on the non-compliance with the recommendations, does not give recognition to the fitness for concerned company(C.O.C.M), even the corrective actions associated with these points with re-sent to make sure, and when the consent of all the points of what is required of the instructions, edit a document of proof which has been checked by noting " Conforme ".

b) Close-up process

A document that allows to collect all information concerning assets or enterprise, in one document, which shows all the practices to be observed and implemented by all parties concerned, both for the procedures associated with the completion of transactions or the commitments undertaken by the new owners of the assets relinquished. (Such as keeping the jobs, and the scheme of repayment).

c) A list of the processes of privatization

The list of the processes of privatization is identified statistic for each of the privatization that has been reviewed by the Council of Government's Contributions and allowed commissioned, which act as a database be renewed and updated in each session of the Council of Government's Contributions, and it is based on recommendations and decisions taken by this latter, which also allows to control aggregate statistics gathered annually about companies, economic sectors of the contributions of various activities and planned investments programs, the labor market, the types and varieties of operations, market of buyers. etc.

So each process must contain the following details (19):

- **A precise title:** Usually the title is the name of the process, which have been referred to in the decisions taken about

that process by C.G.C, while we may find a decision to establish several operations, each one has a specific objective, and always remains the name of the process or address is the path taken to follow up on any process.

- **A special number:** Every operation has its own special number, which usually formed as follows:

The meeting number - the resolution number - date of the meeting – the order number in the resolution.

when the present transaction number attributed usually to the latest resolution of process which can provide some sort of continuity in decisions relating to the same institution or the same process of privatization, and this appears especially in succession back to the C.G.C about the same process for several times, where the database are kept in the archive. It's the path of all the decisions related to the same operation.

d) The transaction File

Each file contains all documents necessary for any process of privatization, particularly the book of conditions of the process (offers, open folds' documents, choosing the winner of that offers, the resolutions of the Council of Government's Contributions, the partners Agreement).

4.3 Controlling and follow-up of Privatisation process according to the experience of privatization bodies in charge

4.3.1 Construction, distribution and collection of the questionnaire

We have made a questionnaire addressed to study the Algerian experience in the field of privatization where we can find one of the main axes. In addition to the axis of control and follow-up which we try to view and discuss its results in this study.

The questionnaire included two kinds of questions:

- Restricted questions: which give few possibilities in order to help informants with time and ideas, specially those who are busy.
- Open questions: which try to give them a space for giving the maximum of enrichment truth their real experience.

The distribution of the questionnaire included studied community which is composed of various bodies tasked with facilitating the process, where the answers of responsables in charge of the privatization process in these bodies, constitute the most important source of information and we also try to understand some of the figures and analyses by using the different ideas obtained during the distribution and retrieval of the questionnaire in the context of the remarks and interviews. So we began at first with the Ministry of Industry and the promotion of investment as a representative of the Council of Government's Contributions, in which we can find the control committee, then we have distribute the questionnaire to the twenty-eight (28) companies of contributions management, using the method of direct communication and delivery of the questionnaire, which will be recalled over three-month period (July - September 2009).

4.3.2 Response Rate

After we distribute Twenty-nine (29) forms, we have retrieve sixteen (16) forms, while the rest could not be collected by the refusal of the bodies concerned to answer them, citing various

reasons, like the questions do not fall into the specialized field of those bodies, or that the questions are in ministry's occupation as the first official curse in the privatization process, or then the body doesn't have any experience in firms privatized until now, or they have privatise only one firm in their portfolio which give them a simple experience,...etc.

So we keep the response rate, estimated about : 55.55% and we think that the percentage given could raise the credibility of the results and analysis.

4.3.3 Analysis of the questionnaire's results

The process of follow-up and monitoring the privatization process include six questions we try to display its results through the following:

a) In terms of follow-up procedures

Different views of the informants appear when speaking about the existence of bodies responsible to follow-up process, so we find that a rate of 93.75% of the informants believe in the existence of bodies in charge of follow-up actions and functions in privatisation process, namely the bodies entrusted with it (the control Committee, the Council of Government's Contributions).

However, 06.25% of the informants accounted do not believe in the bodies or in the existence of effective follow-up of the privatization process, because that bodies are ineffective and procedures are not clear, what makes them judge that these bodies do not really exist.

For believers in the existence of the implementation's procedures of the follow-up process, a question from a five-point range was put where the answers are varied from very complex to very simple, so we find that 46.67% believe that those actions are simple in practice whereas 33.33% of the informants who think that the procedures are complicated to some extent, while 20% of the informants judge that the procedures for follow-up are complex.

In our perspective that these responses associated significantly with the experience of each company, where we know that the experience of privatization of enterprises vary from one company to another, So the opinion of companies' managers varied with the variety of sectors, size of firms, natures of procedures and its complications ...etc. and we know that the more the privatization process is long and complex the more the follow-up procedures will be complex, and this explains the divergence of views above, the fact that let us talk about the possibility of existence for a follow-up obstacles and try to adjust them.

b) In terms of follow-up process's obstacles

Undoubtedly who speaks about obstacles in pursuing the privatization process, starts initially from the findings of experience which he lived, where differing practices lived may cause different attitudes and perceptions, especially when companies of contributions vary in terms of volume of completed privatisation operations, or volume of operations will be made its portfolio.

The questionnaire results showed that 56.25% of our informants do not believe that there are obstacles, as shown in interviews, considering that this aspect is controlled by laws and regulations, which initially let the follow-up process

clearer and clearer.

While we find that the remaining rate i.e 43.75% believe the opposite, that follow-up process has various obstacles, and this group was concerned by answering the question of facilities and the size of these obstacles in which the opinions about it varied in the degrees proposed - from too many to too few – and we find that:

- 57.14% see that existing obstacles are few.
- 28.57% see that existing obstacles are many.
- 14.29% see that existing obstacles are very few.

And It remains important to note that the rate of 43.75% only of the informants responded to this question, which can be explained by their tendency with those who refused to answer, and consider that question is beyond the scope of their powers in answer, as it is clear from the interviews, which explains What is also apparent from the large difference between informants who confirm the existence of follow-up procedures 93.75%. and the rate of the answer to this question. As the most important follow-ups to the process of privatization is assigned to (C.G.M), related to the agreements and conditions in agreements with buyers of the ceded institutions, so we have tried to give an idea on the obstacles may find in following-up that agreements in the following item.

c) In terms of obstacles in follow-up of the buyer's obligations

Concerning this subject, we have found a considerable rate of informants: about 62.50% acknowledge the existence of obstacles in following up of that obligation, while we have noticed that the remaining informants with rate of 37.50% deny the existence of obstacles at this level.

According to informants who believe in the existence of obstacles that we find that half of them 50% felt that these obstacles are very few, while the view of the rest is divided between those who felt that the obstacles encountered in the follow-up to the obligations of buyers are numerous with a rate of 30% of them, and those who believe that these obstacles are slightly numerous for the remaining, 20% of those who admit the existence of obstacles.

So in order to make the follow-up in the privatization process clearer, we have decided to try to identify the nature of the obstacles which may encounter in the real practices by the following point.

d) In terms of the nature of the follow-up processes' encountered obstacles

With regard to the obstacles facing the bodies involved in the completion of privatization, we have found in the survey that 62.50% of the informants pointed to the existence of obstacles of a legal nature, which is often complained of it in the interviews, because it poses significant challenges in solving property disputes between the firms and the state property services, as well as disputes between owners and specially in cases of institutions ceded to their workers, it also many of the informants showed that in many cases they found difficulty to understand and implement some of the legal texts, and this is due to deficiency in the procedural aspect of implementation, this side, according to the informants, have a lot of obstacles both in texts or in terms of procedures.

In front of the alternatives presented in the nature of the obstacles encountered in the follow-up process 56.25% of the informants coincides in the existence of social obstacles, and that is linked to the problem of equilibrium between the objectives of jobs preservation and the interest of the new owners as cost-effective performance and achievement of profit desired, where we know that the element of pay is an important sources of cost, which could be an effective impediment to the growth desired by the privatization process, in this case the lay-offs be as a major challenges facing the bodies responsible for the completion and follow-up the privatization process, along with their compensation and campaigns of voluntary exit, which appears echoed in the legal field mentioned above, and this aspect is devoted to raise the idea of going to formulas that give the institutions for the benefit of workers, which showed many of the challenges, and ended according to interviews by closure.

in addition to complexity of the legal and legislative resulting from those problems and social barriers may float managerial and organizational problems and obstacles, and this is adopted by a significant part of interviewees which constitutes a rate of 31.25% as it is recognized that the obstacles that appear in both legal and social status is usually have their effects on the managerial and organizational field, from the perspective that the human element is the focus of activity in any institution of any sector, and the best example is the protests of the trade union movements which many of the privatization processes saw, and that led to the arrest of activity for several months. What is caused by the failure to adapt with new regulatory data, which may limit the freedom of the trade unions. In the public institution, as this may be the result of poor psychological preparation of the workers to adapt with the changes occurred.

31.25% of the informants to acknowledge the existence of the economic obstacles, which may be interpreted as we have received from the interviews by the conflict between the principle of maintaining employment, imposed on the new owners of firms, and the economic principle which aims to improve the situation of the privatized firm in financial and managerial field, and the expansion as much as possible in the investments, what requires preparation in legislative and regulatory sphere for investment and concurrence, where the investors in the market can find a safe investment climate, before even they can improve their institutions, that's what confirm the need for privatization to be moving in the framework of an integrated economic reforms, where the growing trend towards price liberalization and the abandonment of governmental support for many large consumed goods is growing even gradually.

As the rate of unemployment is growing rate, it has become a challenge that must be taken into account in any program of privatization, in front of the slow creation of new jobs.

The financial and fiscal obstacles, may also concerned as an important economic obstacles where go 25% of informants to confirm from various experiences that they have lived, and we have found them pointing in the interviews to the problem of clean debts of public companies as well as follow-up to meet financial obligations related to commitments of the new owners of firms, in terms of improved level of wages and payment of their debts.

It remains to note that 06.25% of the sample interviewed has gone to consider political obstacles among the most important obstacles that encounter the follow-up of the privatization process because there is no doubt that the political power has an active role in encouraging or discouraging the privatization process as a whole, including the follow-up processes, and just we think that the privatization of an institution is under a political decision the follow-up will lose an important part of neutrality, so who believes in this idea often points to recession of the privatization pace in recent times, trying to be linked to the recent statements of prominent politicians as Mr. President of the Republic or the Prime Minister, trend to revision of privatization policy, that what cause a decrease in activity of many companies (c.c.m) ahead of and during the period was carried out this study and after they think that an effective review of process is expected, and that devote the idea of entering the political power in the conduct of the privatization process at the beginning and in the end. However, as far as we are concerned, the intervention of political actors isn't always a negative action, because there are a many of the economic decisions that capped with the sovereign character need the intervention of such parties in decision-making, and we know that parties have a big part of responsibility in any failure that may accrue to economic reform, and it must be said that the political side have an active role in the success of the process, but the political power should not be an obstacle to follow –up process with neutrality and objectivity as a necessary for success. so in order to benefit as much as possible from the experience of practitioners acquired in the privatization process, we decided to open a space for their contribution to the enrichment of research by their propositions for a follow-up process, and that what we are coming to see in following.

e) Informants' propositions

We open in this part of the form a space to the informants for their contribution in other to develop and improve the follow-up, which was based on two levels.

i) In term of property transfer contracts

This aspect has a considerable importance in the conduct of the privatization process, and it includes all the contents of transfer contracts, which are built mainly on the conditions contained in the book of conditions, as well as results of the negotiations about offers.

In this regard, we find that 43.75% of the informants refused to provide any suggestions, at the same time the rest 56.25% contribute some propositions which focused primarily on making these contracts standard and more explicit, by the Council of Government's Contributions to liberate the negotiations between the companies(c.c.m) investors, as well as develop procedures capable of avoiding any misunderstanding after signature of contracts, those contracts which must be organized in a standard and uniforms procedures respecting the law.

ii) On the follow-up process in general

Concerning the proposition on the follow-up procedures we have found that the same percentage of respondents who did not submit proposition previously repeated in this regard by

43.75% of the sample, when the remaining rate 56.25%, which submitted general propositions focused on the following:

- Develop an annual budget of the offers from the beginning until the final decision with a set of different obstacles, in other to restrict or minimize and treatment of that obstacles.
- More control by the Council of Government's Contributions for follow-up action, both to the privatization process as a whole or to the process of following up the buyers commitments about privatized firms, and the creation of special committees of technical and administrative follow-up.

It should be noted here that compatibility and compliance observed between the percentages of informants who believe that obstacles in pursuing the privatization process and these percentages of the informants who provided suggestions, that what can be a gateway to judge the seriousness of the respondents in dealing with the form with an unified orientation in answering from the beginning to the end.

Conclusion

The organization and activation of the follow-up process, is an important requirement for the success of privatization strategy, However, this study showed that functional regulation alone is not enough for that, because the exercise of this function would be in interaction with the multi-dimensional environment, and which requires, control of the follow-up organization data, and the control of environment data and adaptation with it.

The process of follow-up to privatization in Algeria is organized with a regulation, which provide the requirements of success in particular the procedural aspect, however, this organization continues to suffer in its activation by vacancies in responsible who conduct control Committee on one hand, and an indication of some of the parties to the presence of ambiguity and complexity in Some aspects of this organization, on the other. And it has been shown that in addition to these shortcomings, in organization of follow-up to privatization, there are external obstacles to the organization, which contribute in recession of the performance level of this function. these obstacles were distributed in nature into several types, from obstacles related to buyers, new owners for the privatized enterprises, in terms of failure to respect their commitments, to the various regulatory obstacles, which deal with fiscal and financial situations, and ownership, and the nature of the organization of those institutions and conflicts between interest of the institutions buyers in terms of profitability and expansion, with the social objectives of privatization, aiming at maintain as much as possible employment. Accordingly we believe it is very important to give this function (follow-up), more practical methods of a real activation through the following:

- Make periodic inventory of the obstacles encountered in follow-up process, and consult on possible solutions which can contribute to solve them, with standardization of method in dealing with the obstacles encountered, in order to gain a standard methods which can be used as a reference in solving problems ascribed permanently.
- The involvement of scientific expertise to study the

privatization process of various administrative and managerial aspects.

- Profiling as much as possible the procedures for the concession contracts, in terms of organization and conditions, leaving the field to deal with the particularity of some enterprises which may be necessary to deal with them case by case.
- Activating the suggestion of periodic campaigns of control by independent or external bodies different from the central one.
- To raise discussions and exchange of experiences between (c.c.m) with substantial experience in privatization, and (c.c.m) with a modest experience, in terms of processes that have been completed in their portfolio.
- The introduction of bank mediation in payment of investors' obligations, the settlement dues investors, new owners, so that the remaining bilateral relationship between the bank and the buyer, when the government comes out from the follow-up of that obligations.
- Formation and recycling of managers in charge of the process periodically, especially in the legal and regulatory framework.

Reference

1. Turgeon B, La pratique du management. 2^{ème} Edit, Mc-crawh-iediteurs, 1989, 438.
2. Zaki Mahmoud Hashem. The fundamentals of management, the world library, Egypt, 2006, 436.
3. Turgeon B., Ibid, 446.
4. Turgeon B., op-cit, 452.
5. Reda sahib Abu Hamid, Sinane Kadhim al-Musawi, Management: Glimpses contemporary Warraq House, Jordan, 2006, 440.
6. Zaki Mahmoud Hashem, op. cit, 443.
7. Hazam Mater Al-Mutairi, Hani Yousef Khashokgi, management control between the positive concept and the Islamic concept, King Abdulaziz magazine for Science and Management, 1997; 10:70.
8. Omar wasfi akili, contemporary management, Dar Zahran for publication and distribution, Jordan, 2007, 446.
9. Khalil Med Hassan, management principles, al massara House, Amman, Jordan, 2004, 312.
10. Kamal Abu Saqr. Trade & Management and Legal globalization, Wissam Hous, Beirut, 2001, p.53. 13-Salah Shanawany, Business Economics, Alexandria Book Center, 1995, 308.
11. Order 04/01 of 20 August, 2001 on the organization and conduct of the privatization of public economic institutions, official gazette, 2001.
12. Executive Decree 05-309 dated on September 07, 2005, showing the tasks entrusted to the Ministry of Government's Contributions, Official Gazette 2005.
13. Kosherod Bashir, the success in privatization of public institutions for the workers, PhD, University of Algiers, 2009; 189:189.
14. Report of privatization, the contributions of the Council of State, Ministry of Industry and the conduct of contributions, 2008, 11.
15. Report of privatization, ibid, 12.
16. Report of privatization, ibid, 13.