

TRANSITION FROM OPERATIONAL MANAGEMENT TO STRATEGIC SKILLS MANAGEMENT AND VALUE CREATION IN THE PUBLIC SECTOR

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ABSTRACT

The link between strategic skills management and value creation in the public sector is a crucial issue. This relationship is at the heart of research aimed at addressing our core issue of how strategic skills management can be effectively deployed in the public sector to maximize value creation.

To address this issue, the research adopts a conceptual methodology, which begins with an insight into skills management practices in the public sector and the notion of value creation and its relationship with performance. It then assesses how these practices can contribute to the achievement of the strategic objectives of public organizations and to the improvement of the quality of its services.

However, this research has some limitations. It depends in part on the availability of data and the cooperation of public sector organisations, which may limit the generalization of results in practice.

Finally, this research highlights the importance of strategic skills management in the public sector to maximize value creation. It provides crucial insights into how public organizations can adapt their skills management practices to respond to environmental change. The results of this study have theoretical and practical relevance, helping public sector decision makers to better understand how strategic skills management can contribute to the modernization of the sector while ensuring high quality services.

Keywords:

Management, Strategic management, Skills, Performance, Value creation.

INTRODUCTION

The public sector has faced major challenges in recent years, including rising expectations for high-quality service delivery, increasing budgetary constraints and increased pressure for efficient use of public resources. In this context, strategic skills management is proving to be an essential lever for public sector organizations to...

Strategic skills management involves the planning, development and management of skills within an organization in order to achieve its strategic objectives and meet the changing needs of its environment. In the public sector, this approach is of particular importance, as public organizations are responsible for the delivery of essential services such as education, health, health, health, education, health...

Value creation in the public sector is a central objective of strategic skills management. This means not only maximizing operational effectiveness and resource efficiency, but also ensuring that public services meet citizens' needs and expectations in innovative and sustainable ways. The value created in the public sector is not limited to financial results, but also encompasses elements such as citizen satisfaction, trust in public institutions and the achievement of social and environmental goals.

However, in reality, the practice of human resources management in the public sector seems to suffer from a deficit of

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strategic management that results in simple administrative management. In addition, the public administration, more than in the past, needs to implement strategic management of its skills in order to create value for its public services and adapt to environmental changes in a context marked in the last three years by a health crisis “Covid 19”, which has turned the world upside down.

This research aims to explore in depth the role of strategic skills management in creating value in the public sector. It will examine skills management practices within public organizations and how these practices can contribute to the achievement of the strategic objectives of public organizations and the improvement of the quality of services provided to citizens.

Beyond its theoretical importance, this research also has a crucial practical dimension. The results of this study will help public sector leaders and decision-makers better understand how strategic skills management can be effectively implemented to maximize value creation in their organizations. This understanding can be vital to ensuring the long-term viability of public services in an ever-changing environment.

In short, strategic skills management is a cornerstone of the modernization of the public sector and the achievement of value creation objectives. This research will help inform the way forward for public organizations to proactively respond to current and future challenges while delivering high quality services to citizens.

The central issue of this research lies in how strategic skills management can be deployed effectively in the public sector to maximize value creation. This raises several questions to clarify basic concepts such as: What does strategic skills management mean? What does value creation mean? How do we measure value creation? what is the degree of correlation between these two essential components in our research?

METHODOLOGY

The methodology adopted in this document is an in-depth literature review that addresses the relationship between public skills management and value creation, it was necessary to present a literature review on these two concepts as crucial tools that guarantee the survival and growth of organizations.

So what does Management, Strategic Management, Skills, Performance, Value Creation mean? And what is the degree of correlation between the two key concepts of our research?

The Concept of Management

The term «management» came to us through the English language, even though it comes from household French, which expresses the idea of taking care, paying attention to, taking care of. The word «household» is itself derived from Latin, which means house, residence. The term “household” always refers to an entity, both human and economic, intended to take care of the home and the children “to start a household”. Cleaning” also refers to the idea of taking care of and caring for a room, a dwelling. From that perspective, we could also say that a leader “cleans up” -- Let’s add that the term «manager» has its current French equivalent with the verb «gérer».

Fayol (1916, 13) classically defines management as a function for predicting, organizing, ordering, and finally coordinating and controlling. In this respect, it should be noted that Durand, (2020) espouses this definition. However, the author tries to complete it and integrates several dimensions. For him, management includes a strategic aspect, coordination of people and services, organizational change, human resources and finally motivation of these through a suitable management mode. In addition, Van Fleet and Peterson state that “management is all activities that aim to use resources effectively and efficie Megginson, Mosely and Pietri define it as: «management as a use of human, financial and material resources to achieve the goals set by the company with the functions of planning, organization, management and control».ntly to achieve one or more objectives.”

According to Amparo & Lamoureux, (2016) «Management aims to organize the system of collaboration between people and to promote collective well-being in order to increase the performance of human organizations».

Briefly, all these authors agree on the fundamentals of management. It is also important to know that a leader already has certain inherent qualities and characteristics that allow him to establish an effective management system and exert unparalleled influence on others.

Concept of Strategic Management

Strategic management consists in establishing the main objectives of the company, or more generally of the

organization. This results in effective decisions in the medium and long term to ensure the performance and sustainability of the company or organization. Strategic management is based on a number of parameters to be implemented. You must analyze the corporate and administrative environment, determine its success factors, its competitive advantages and know your competitors. Strategic management also relies on in-depth knowledge of internal resources and skills.

H. IGOR ANSOFF (1918-2002) In 1975, ANSOFF's remarkable article returns to the importance of environmental analysis and stresses the need to recognize weak signals to avoid strategic surprise. In doing so, it challenges the usual approach to strategic planning, which is fundamentally based on the study of past information. ANSOFF advocates strategic intelligence and economic intelligence.

ALFRED D. CHANDLER (1918–2007) In 1977 he published "The Visible Hand: The Management Revolution in American Enterprises", CANDLER paints a historical fresco of large American companies through a specific analysis of the development process of the management function in general. In this book, he emphasizes that the «visible hand» of managers has largely replaced the «invisible hand of the market» at ADAM SMITH, to allocate resources and coordinate economic activity.

Management Practices in the Public and Private Sector

According to Pollitt, differences in management approaches between the public and private sectors have given rise to three distinct perspectives, and these perspectives can be correlated with the fundamental conceptual frameworks defined by Stephen P. Osborne. The first perspective, that of "Public Administration", considers public sector entities as intrinsically distinct from the private domain, highlighting the particular economic and political characteristics of the public sector. This perspective has long led researchers in administrative, political and economic sciences to consider the distinction between public and private as indispensable. In this context, the comparison between the two fields was often considered impossible.

However, over the past decade, this first concept has been strongly challenged by the second concept, the "New Public Management" (or "New Public Management"). This new concept focuses on the production function within public organizations and seeks to minimize the distinction between the public and private spheres by claiming that methods and objectives, such as performance and cost reduction, are similar in both areas. This approach calls into question the relevance of the comparison between the two sectors. Advocates of "New Public Management" have sought to modernize public administration by drawing on private sector management practices to improve performance and reduce costs, challenging the traditional bureaucratic model.

Finally, Stephen P. Osborne identified a third emerging concept, that of "New Public Governance". This perspective emphasizes the pluralism of public organizations, the relationship between political impetus and policy implementation, and focuses on notions such as trust and inter-organizational governance. The "New Public Governance" attaches greater importance to the overall consequences (results) of public actions on their environment, rather than to the immediate results of the production of public services (operational results). In this perspective, the distinction between public and private is no longer seen as a clear boundary, but rather as a series of degree differences, marking a significant evolution in the way public organisations are managed and understood (Pollitt, C., & Bouckaert, G. (2017). *Public Management Reform: A Comparative Analysis*. Oxford University Press).

Skills and Strategic Skills Management

In this part, we deal with the notion of competence according to several approaches, as well as the types of skills and the existing relationship between the strategic management of skills and the strategy of the organization. Finally, we address the theme of adaptation and skills development through evaluation and training.

- **Concept of Skills**

In the field of management sciences, the notion of "competence" is commonly defined as the synthesis of knowledge, practical skills and personal qualities. However, these definitions are insufficient because they overlook the inherent complexity of this notion. The terms "total competence" or "together" simplify this idea, while competence is actually a complex combination of interdependent elements, going far beyond the mere aggregation of knowledge, know-how and personal skills. It encompasses the ability to proactively mobilize all available

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resources and knowledge to solve complex and unstable problems, transcending the traditional model of competence confined to the triangle "know-how-know-be".

It should be noted that the concept of competence remains at the heart of management and human resources, and recent research deepens our understanding of its essential role in individual and organizational performance. In addition, current studies emphasize the need to consider skills not only as individual resources, but also as organizational resources (Ramos et al., 2021). This perspective highlights collective skills and their articulation with corporate strategy and culture to foster sustainable performance (Schuler & Tarique, 2018).

In the ever-changing business environment, skills play a key role in competitive sustainability. The "dynamic skills" approach emphasizes an organization's ability to adapt quickly to changes and opportunities by developing new skills and reallocating existing skills (Teece, 2007). Therefore, strategic skills management has become a priority for modern organizations. This approach includes assessing the skills needed to achieve strategic goals, implementing appropriate development programs, and creating a culture of lifelong learning (Ghosh et al., 2022).

In short, the notion of competence remains a dynamic and ever-changing field of research, with profound implications for individuals and organizations seeking to thrive in an ever-changing professional environment. Understanding the multidimensional nature of skills, their role in organizational performance and strategies to develop them remains essential to maintain competitiveness (Schuler & Tarique, 2018; Teece, 2007; Ghosh et al., 2022; Ramos et al., 2021).

- **Types of skills**

There are several types of skills that can be categorized according to their characteristics and applications. Here is an overview of the main types of skills. First, individual and collective skills that represent crucial concepts in the field of management and organizational psychology. (See Table 1)

	Individual competence	Collective competence
Nature	Individual skills focus on personal attributes such as an individual's knowledge, technical skills, and personal characteristics (McClelland, 1973).	Collective competencies include coordination, communication, problem solving, and other social and group skills necessary to work effectively together (Gibson et al., 2017).
Development	Developing individual skills often involves training, learning and personal development activities aimed at improving an individual's specific skills (Noe et al., 2019).	Collective skills development involves strengthening interpersonal relationships, promoting trust, and fostering collaboration within a team or organization (Edmondson & McManus, 2007).
Measuring & Performance	Individual performance is generally assessed based on individual criteria such as task completion, technical proficiency and personal contribution (Pulakos et al., 2000).	Collective performance is assessed based on a team's ability to collaborate, achieve collective goals and produce consistent results (Lepine et al., 2016).

Table 1: The difference between individual and collective competence

Second, organizational and strategic competencies that represent two complementary concepts. (See Table 2)

	Organizational competence	Strategic competence
Nature	Organizational competencies are the capabilities that are integrated and developed throughout the organization. They result in processes, routines and practices that improve the way the organization operates in general (Sanchez & Heene, 2004).	Strategic competencies are specific to how the organization aligns its resources and capabilities to achieve sustainable competitive advantage. They shape how the organization positions itself in its competitive environment (Hitt et al., 2020).
Object	Organisational competencies aim to improve the overall effectiveness of the company and its ability to execute its operations consistently and efficiently (Eisenhardt & Martin, 2000).	Strategic competencies aim to create a distinctive competitive advantage by leveraging the organization’s unique resources and capabilities to meet market needs (Barney, 1991).
Management	Organizational competency management involves implementing practices, processes and structures that promote coordination and performance across the organization (Zahra & George, 2002).	Managing strategic competencies requires sound planning and implementation of resources and capabilities to achieve strategic objectives and maintain a competitive position (Teece, 2007).

Table 2: The difference between organizational and strategic competence

The relationship between skills management and strategy

Skills management is part of HR practices, seen as a function of developing and applying management rules defined by the HR function. It is a process that is both simple and complex, upward and downward, transparent and opaque, directive and participatory.

Strategic skills management is a key approach in modern organizational management, aiming to align individual and collective skills with the company's strategic objectives. This approach recognizes that skills, as a combination of knowledge, abilities, and attitudes, play a crucial role in organizational performance and the achievement of competitive advantages (Hitt et al., 2007).

To implement strategic skills management, organizations must undertake several essential and complementary steps. Firstly, it is imperative to conduct a thorough assessment of existing skills within the organization, identifying the key skills needed to achieve the company's strategy (Ramos et al., 2021). Then, a skills development plan can be formulated, including training and professional development programs to address identified gaps (Ghosh et al., 2022).

Strategic skills management also promotes the creation of a culture of continuous learning and innovation. Organizations that adopt this approach encourage the acquisition of new skills, adaptation to market changes, and constant pursuit of improvement (Teece, 2007). This focus on learning enables the organization to remain flexible and quickly adapt to changes in the competitive environment.

The major challenge of strategic skills management lies in the organization's ability to achieve its strategic objectives, improve its performance, and maintain competitiveness. By ensuring that individual and collective skills are aligned with the company's strategy, organizations can create sustainable competitive advantages and a culture that fosters innovation, growth, and operational excellence (Barney, 1991).

Skills Development

Many researchers and human resources specialists have emphasized the constant evolution of the world of work, leading to a growing need for evaluation methods that meet multiple expectations. According to Levy-Leboyer (1990, p. 13), these expectations are mainly centered on the individuals involved in the evaluation. Once the results are known, these individuals can leverage their experience to develop their skills, provided they are engaged in a training process that allows them to advance their own careers. So, what are the main methods of skills evaluation?

And what are the training methods adopted to develop them?

Skills evaluation and training play a crucial role in the professional development of individuals and the performance of organizations. This evaluation helps identify individuals' strengths and weaknesses, determine training needs, and design tailored programs to enhance their skills (Bartlett, 2016). It constitutes an essential first step towards effective and targeted training.

Skills evaluation can be conducted through various methods and tools. Firstly, there are evaluation interviews, which are often used to assess behavioral skills, allowing managers to gather information on past behaviors and identify skills to develop (Pulakos et al., 2015). Then, there are skills tests, such as technical knowledge tests or practical exercises, which are used to measure individuals' technical and cognitive skills (Lievens et al., 2014).

Skills evaluation is not limited to measuring individuals' knowledge and abilities. It also encompasses the evaluation of behavioral skills, such as communication, leadership, time management, and problem-solving (Gagne and Deci, 2005). This comprehensive skills assessment takes into account the skills essential for professional success.

Once skills are evaluated, training can be designed to address the identified needs. Training can take various forms, such as skills development programs, workshops, online training, or university courses. It aims to provide individuals with the knowledge and skills necessary to perform their tasks effectively and efficiently (Tannenbaum and Yukl, 1992).

Skills evaluation and training have significant benefits for individuals and organizations. For individuals, it enables them to acquire new skills, improve their employability, and increase their job satisfaction (Noe et al., 2017). For organizations, it contributes to improving productivity, strengthening competitiveness, and fostering the development of internal talents (Baldwin and Ford, 1988).

Finally, skills evaluation and training are interdependent processes that allow individuals to develop their skills and organizations to maximize their performance. Accurate skills evaluation is essential for designing effective and targeted training programs. By investing in skills evaluation and training, individuals and organizations can achieve their professional goals and maintain their competitiveness in the long term.

The conceptualization of value creation and performance.

For many years, the idea of creating value has sparked increasing interest across various fields of management sciences, including finance, accounting, management control, organization, marketing, and strategic management. Numerous studies have highlighted the complexity of the concept of value creation. However, before delving into this complexity, it is essential to first grasp the concept of value. Haut du formulaire.

- **Concept and types of value**

Over the past few years, the concept of value has garnered the attention of numerous researchers. However, it is important to emphasize that despite the growing interest in this topic in recent studies, it actually has a long history as a research domain. The term "value" carries a variety of meanings in various disciplines, such as economics, ethics, politics, and the social domain, which reflects the inherent complexity of this notion. The theme of value is polysemic in management (Dérrouiche, Neubert, and Dominguez Pery, 2012). It encompasses several aspects, each associated with a diversity of concepts, or even a variety of tools or methods of measurement specific to a given concept, accompanied by definitions and theories of value specific to each domain.

In the economic sense that concerns us, value can be defined as anything that can satisfy human needs. It is defined as "the perception of the relationship between what people receive in return for what they must give to enjoy goods or services (Jobin and Friel, 2000)." It can be associated with the price that the customer is willing to pay to acquire a good or service, and it is also linked to the perception relative to quality (Adriaenssens, Vankerkem, and Ingham, 1992). Thus, we can point out two key concepts that determine the notion of value: the perception of "what is received" in return for "what has been given."

For this reason, the notion of value in economics unfolds into several essential facets, each supported by recent advances in economics. Use value represents the satisfaction or utility derived from the consumption of a good or service, an idea supported in works such as those by Kahneman and Tversky (2018) on individual preferences. Exchange value, on the other hand, depends on supply and demand in the market, a fundamental concept established in the works of Samuelson (2020) on market equilibrium. Intrinsic value, linked to the physical characteristics of

goods, is highlighted by Smith's (2019) research on precious metals, although its relationship with economic value is nuanced. Subjective value, a pillar of neoclassical economics, emphasizes the subjectivity of individual preferences, in line with the Austrian school of economics (Menger, 2022). Marginal value, a crucial concept, is determined by the balance between marginal utility and marginal cost, a principle formulated flexibly by Marshall (2017). Regarding production, value-added represents a company's contribution to the economy, calculated as the difference between the total value of goods and services produced and the costs of inputs, an essential economic indicator explained in detail by Sraffa (2019). Finally, monetary value is a common way of expressing the value of goods and services in the monetary system, reflecting the measure of value that consumers attribute to products using the monetary unit as a reference, consistent with Fisher's (2021) work on the quantity theory of money. Ultimately, the notion of value is complex and varies depending on economic, cultural, and individual circumstances. It plays an essential role in economic decision-making, whether for consumers, producers, or policymakers.

- **Concept of value creation**

The concept of value creation holds a central position in economic theory and business management. It represents a company's ability to generate competitive advantage by offering products or services that exceed customer expectations while optimizing the use of its internal resources. According to Porter (1985), value creation is essential for achieving sustainable competitive advantage by differentiating products, reducing costs, or targeting specific markets. Osterwalder and Pigneur (2010) contributed to the modern understanding of value creation by proposing the value proposition model, which focuses on how a company addresses the unique needs of its customers and creates distinctive advantages. Meanwhile, Prahalad and Ramaswamy (2004) introduced the concept of co-creation, emphasizing the active collaboration between companies and customers in the value creation process.

In an ever-evolving context, value creation is evolving to incorporate digital and sustainable dimensions. Teece (2010) highlighted that innovative business models can play a key role in value creation in the era of digital transformation. Furthermore, sustainability and social responsibility have become key elements of value creation, considering long-term environmental and social impacts (Frow et al., 2015).

In strategic management, the concept of value creation fits into two dimensions or approaches. The first is competitive value creation, which analyzes value creation by considering companies as competitors in a field where multiple companies are growing. It attaches great importance to the environment in its field of activity. In such situations, companies create competitive value by exploiting opportunities presented by the environment. The second is that of substantial or intrinsic value creation, which allows overcoming the shortcomings of the competitive approach, as it is largely static and focuses on the strategic creation of value by exploiting environmental opportunities. Consequently, it overlooks the internal dynamics of learning processes. These shortcomings have led to the so-called new substantial vision, which is part of cognitive approaches, mainly skill-based and knowledge-based approaches.

This perspective broadens the competitive approach by integrating the inherent dynamics of learning processes and the development of essential skills as a source of value generation. Therefore, this leads us to speak of organizational or intrinsic value creation, which is based on organizational capacity, i.e., the ability to manage and organize. It is related to the quality of management of different operations carried out by the company.

- **Concept of public value**

The concept of public value is attributed to Moore (1995, p. 28), who argues that just as in the private sector to create market or non-market value, the aim of the public sector should be to create public value. The latter is a measurable management concept based on the actions and results produced by public organizations and agencies (Moore, 1995, 2013; Benington and Moore, 2011). Additionally, Moore describes the creation of public value through the "strategic triangle of public value" (1995, pp. 22-23). For this author, creating public value involves taking action or adopting behavior that is significant for users and the community, is legitimate for them, and is administratively and operationally feasible. However, the inherent difficulty of this model remains its relative inability to provide tools for measuring value creation.

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- **Value creation and performance**

The relationship between value creation and performance is a topic of major interest in the field of business management. Value creation is a crucial objective for organizations as it measures a company's ability to generate economic benefits for its stakeholders, such as shareholders, customers, employees, and society as a whole. On the other hand, organizational performance is often used as a measure of an organization's effectiveness and efficiency in achieving its strategic objectives.

Value creation is closely linked to performance as it typically translates into strong financial performance. A company that succeeds in creating value for its stakeholders is likely to achieve positive financial outcomes, such as increased revenues, improved profit margins, and market growth (Kaplan & Norton, 2004). However, performance is not limited solely to financial aspects. It also encompasses other dimensions such as customer satisfaction, product or service quality, operational efficiency, and innovation capability (Ittner & Larcker, 2003). Several studies have demonstrated the positive impact of value creation on companies' performance. For example, research conducted by Chen and Zhu (2019) revealed that companies capable of creating value for their customers through product innovation or differentiation achieve better financial performance. Similarly, a study by Rezaee et al. (2019) showed that perceived value creation by customers has a positive impact on companies' financial performance and profitability.

It is important to note that value creation and performance are not static concepts but rather dynamic processes that require proactive management and continuous adaptation to changes in the company's external and internal environment. Organizations must be able to rethink and adjust their strategies, processes, and resources to maintain a competitive advantage and sustainable performance (Porter, 1996).

In conclusion, value creation and performance are closely intertwined. Value creation is a key driver of an organization's performance, whether measured in financial or non-financial terms. Researchers and practitioners must continue to explore and understand the mechanisms of this link to develop management strategies and practices that promote sustainable value creation and organizational performance.

The relationship between strategic competence management and value creation.

The study of the relationship between strategic competence management and value creation has undergone significant evolution over the decades. In the 1990s, theoretical foundations were laid with the concept of core competencies popularized by C.K. Prahalad and Gary Hamel, emphasizing that unique and difficult-to-imitate competencies are crucial for value creation and sustainable competitive advantage. The 2000s highlighted the role of human resources, particularly employee skill development, in value creation. Knowledge management became a central topic in the 2000s, showing how the management of organizational competencies and knowledge contributes to value creation. Then, in the 2010s, attention shifted to dynamic capabilities, emphasizing the need for agility in a constantly changing environment. The period from 2010 to 2020 was marked by the impact of technology on skills development and innovation. The 2020s have seen the increasing importance of sustainability and social responsibility, highlighting skills related to sustainable development. The current period (2020-2023) is characterized by a continual evolution of the relationship between competence management and value creation, with a focus on adaptation and innovation to remain competitive.

This historical evolution reflects the growing complexity of the relationship between strategic competence management and value creation, as well as the ongoing importance of this issue for 21st-century organizations. Future studies and research will undoubtedly continue to deepen our understanding of this fundamental relationship.

- **Economic model**

Based on the general assumption, which is considered a provisional response to our research problem, it is assumed that strategic competence management contributes to value creation for the company. Consequently, the research variables are twofold: the explanatory variable concerning strategic competence management (SCM) and the variable to be explained, which is value creation (VC). The integration of both types of variables synthesizes the hypotheses of our research and forms a synthetic model. Here is a diagram illustrating the major assumptions underlying our economic model. Each of these assumptions is interconnected and contributes to strategic competence management and value creation within an organization. (See Figure 1)

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International Journal of Engineering Technology Research & Management

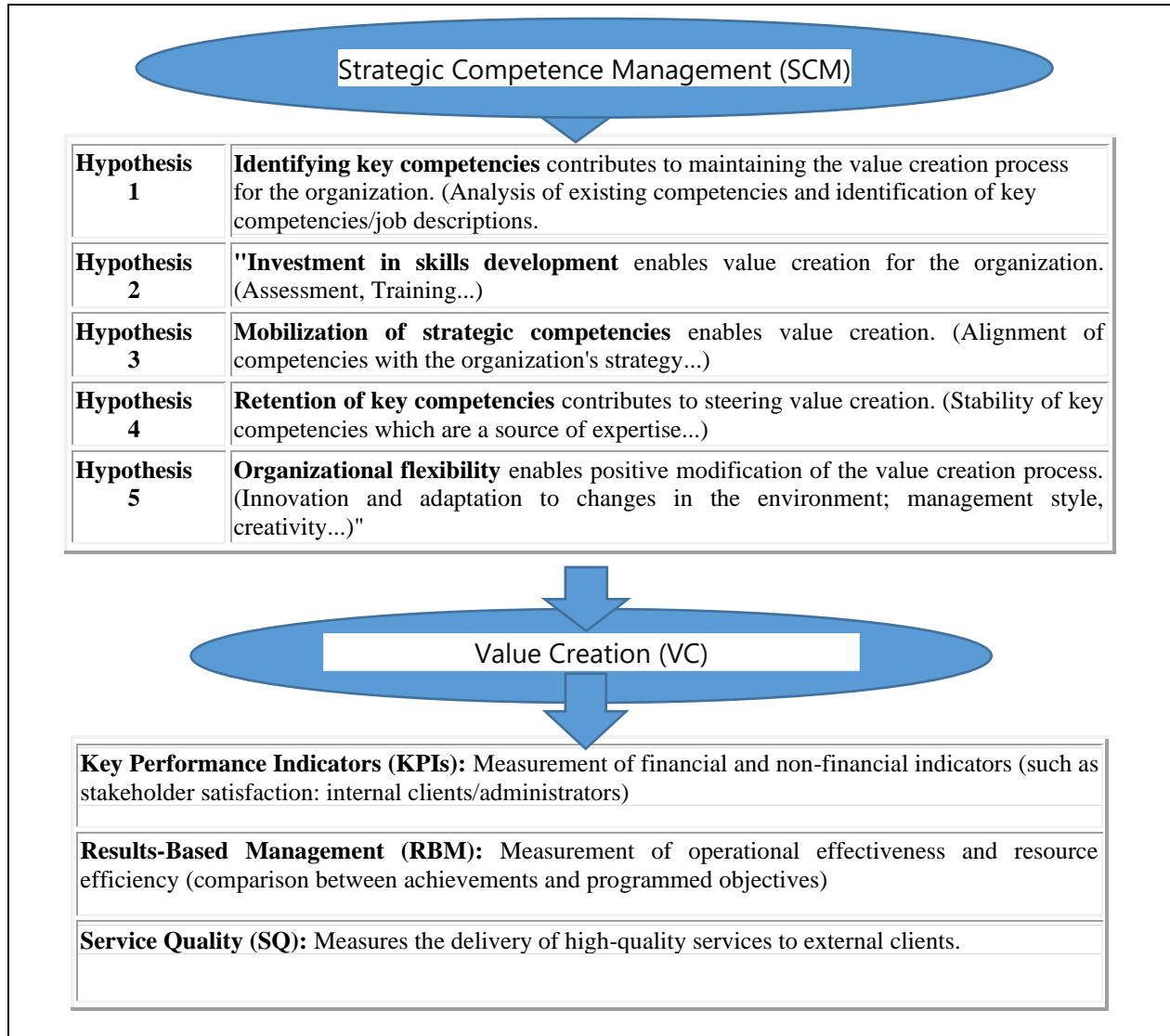


Figure 1: Proposed economic model for the relationship between MSC and CV.

The development of this economic model drew upon several theories in strategic management of competencies and value creation. Here are the main theories that inspired us (See Appendix 1).

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Appendix 1: Theories Utilized in MSC and CV

- **Organizational Flexibility (OF):** Drawing upon the organizational flexibility theory (Paauwe and Boselie, 2003), it assesses the organization's ability to swiftly adapt to environmental changes through agile management of skills.
- **Skills Development (SD):** Drawing upon the organizational learning theory (Senge, 1990), it encompasses training, learning, and development activities to enhance and strengthen the skills of public sector employees.
- **Skills Mobilization (SM):** Inspired by the theory of strategic alignment (Henderson and Venkatraman, 1993), this process aims to efficiently allocate skills to appropriate tasks and projects, taking into account strategic priorities.
- **Skills Retention (SR):** Drawing upon talent management theory (Collings and Mellahi, 2009), it includes strategies to maintain key skills within the public organization, avoiding loss of knowledge and expertise.
- **Organizational Flexibility (OF):** Drawing upon organizational flexibility theory (Paauwe and Boselie, 2003), it measures the organization's ability to swiftly adapt to environmental changes through agile management of skills.
- **Results-Oriented Management Theory (ROM):** Behn, R. D. (2003). Why Measure Performance? Different Purposes Require Different Measures. *Public Administration Review*, 63(5), 586-606.
- **Service Quality (SQ):** Aligns with the theory of service quality (Parasuraman et al., 1988) and measures operational excellence and the delivery of high-quality services to citizens.

- **The limitations of the proposed economic model**

The economic model linking strategic skills management to value creation presents significant limitations according to several scientific studies. Firstly, the model assumes that investment in employee skill development always translates to better organizational performance. However, according to research conducted by Becker and Huselid (1998), the links between skill development and company performance are not always linear, as other factors such as organizational culture, structure, and technology play a crucial role. Moreover, a study by Pfeffer (1994) highlighted that focusing on individual skills may sometimes overlook essential aspects such as cooperation and coordination within the company, leading to conflicts and hindering value creation. This economic model, which ties strategic skills management to value creation, has significant limitations that have been widely discussed in recent economic literature. Several researchers have pointed out that the traditional approach to skills management may not suffice to address contemporary challenges. For example, according to a study by Beugré et al. (2020), companies struggle to translate individual skills into sustainable competitive advantages. Additionally, market volatility and technological disruption have questioned the long-term validity of value creation through skills management, as suggested by Zhao et al. (2019) in their research. Furthermore, work by Martin and Collinson (2021) has highlighted the ethical and social issues associated with this model, emphasizing the need for a more balanced approach for employee well-being and overall sustainability. Thus, it is imperative to closely examine these limitations and rethink the economic model for long-term prosperity and positive societal impact.

CONCLUSION

The transition from administrative management to strategic skills management within public institutions, aimed at creating value from their services, is increasingly becoming a necessity in a highly turbulent environment. This environment has been marked in the last three years by a global health crisis, the "Covid-19" pandemic, which has disrupted the entire world.

Explaining the link between strategic skills management and value creation is complex, as measuring the degree of correlation between these two concepts extends beyond economic and financial criteria and involves multiple other variables. This complexity is due to the lack of indicators and measurement tools to objectively evaluate the results. On one hand, this shortage can be attributed to the political logic of public decision-makers. On the other hand,

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assessing the effectiveness of public institutions also stems from the challenge of identifying costs associated with the production of specific goods or services in the public sector. This issue often tends to overlook indirect costs in the analysis from the perspective of management accounting. However, the monopolies held by these organizations hinder a comparative evaluation of the organizational effectiveness of public institutions.

Various studies in this direction have demonstrated that strategic skills management and value creation are two crucial concepts in the public sector, closely linked and interdependent. Here are some key elements illustrating their relationship. Firstly, identifying key skills lies at the core of strategic skills management, involving identifying the essential skills needed to achieve organizational objectives. Once key skills are identified, strategic skills management involves implementing appropriate development plans, including assessment and training programs, which can lead to improved efficiency and effectiveness within the public organization, thereby contributing to performance and value creation in terms of results and services provided. Moreover, strategic skills management can play a significant role in talent retention within the public sector by offering internal mobility opportunities, professional development, and career progression, thereby attracting and retaining skilled employees. Lastly, by encouraging the development of key skills such as creativity, critical thinking, and problem-solving, strategic skills management promotes innovation and adaptation in the public sector, essential skills for addressing emerging challenges and creating value for citizens.

In summary, strategic skills management and value creation are closely linked in the public sector. By identifying key skills, investing in skills development, managing performance, promoting mobility and talent retention, and fostering innovation, public organizations can enhance their ability to create value in terms of results and services provided.

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