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# Managing Creative Skills to Increase the Economic Efficiency of Industrial Organizations

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### **ABSTRACT**

Economic variations have generated the need for the request of innovative management and management methods and approaches that would advance employees' different thinking "problem solving ability" and mobilize their original potential. Creativity becomes one of the main managerial abilities. Therefore, the article deals with the concept of creative skills management systems of industrial enterprises. The main goal and tasks in the management of creative skills, and the ways of management decisions .also, the model of an industrial enterprise's creative skills management subsystem is presented. In order to evaluate the administrative system of creative skills in the Iraqi Cement state Company, management, Management Functional Assessment Model (MFAM) was used, and the sample was 173 employees. We also consider the main indicators for evaluating the effectiveness of the creative skills management system in order to ensure efficiency growth in the conditions of innovative economic development. After conducting the tests, it became clear the importance of creative skills management in order to increase the economic efficiency of companies and its role in developing the performance of employees. Also, companies gain a continuous and increasing competitive advantage by owning innovative employees. In addition, the study recommends paying attention to creative skills and developing them in order to increase the performance of employees and raise the economic efficiency of companies and possess a competitive advantage.

**Keywords**: Managing creative skills, economic efficiency, industrial organizations

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#### INTRODUCTION

As economic processes develop, more and more industrial enterprises are faced with the need to develop an effective creative skills management system that meets modern requirements. In addition, the possibility of introducing modern technologies of production and personnel management at an enterprise, innovative transformations to ensure the competitiveness of an industrial enterprise depends, first of all, on the quality of the enterprise's human capital, on the level of competence of managers required to manage creative skills.

In Iraqi companies, the attitude towards creative skills management, unfortunately, is very poor. Here, the main problem of the research appears, as the study clarified the impact of managing creative skills on increasing the economic value of companies.

Where the study was conducted in Iraqi Cement state Company, which has a staff of (8000) employees in various departments, where the study sample consisted of employees who had experience between (5-25 years), males and females. The departments included (human resources, quality, marketing, information system, planning and control, research and development, industrial management). The sample of the study was (173) employees in various departments. After conducting the study using Management Functional Assessment Model (MFAM), the clear impact of management and creative skills on increasing the economic value of industrial companies was reached.

#### **Concept Creative skills**

The Modern economic requires companies and managers, and scientific and technological leaders alike, to develop the skills of workers to solve problems creatively, in order to keep pace with the rapid and continuous changes in the environment while preparing for future risks. Today, creativity is a prerequisite for success for companies and employees. Creativity skills have been defined in many different ways. Creativity is the process of creating new ideas of economic value. (Sarkar & Chakrabarti, 2011). Also, creativity skills is the process of providing motivation for thinking and creativity is the driving force that drives a person to use his potential to create great ideas (Liu et al., 2016). In the situation of motivation to reason creatively, three basic mechanisms come into play: self-motivation, original self-efficacy, and pro-social motivation (Liu et al., 2016). The creativity skills is the process of searching for new and innovative ideas that can solve problems or address problems (Mulet et al. 2017). And, creativity skills, all activities and events in order to produce future employees

those who have creative and innovative skills (Aman-Ullah, Aziz, Ibrahim, Mehmood, & Abbas, 2021 & Carthy, 2020). So, we can say creativity skills are the skills possessed by employees that help create new and innovative ideas that raise the economic value of companies and achieve competitive advantage.

## The importance of creative skills

Creative skills are a key issue in innovation, competitiveness, and improved performance. Besides that, creative skills itself in a business has no value till it is managed and explained into a specific "product, service, or process offered to the customer". SO, the significance of creative skills (Nikolaeva, 2017; Nikishina, 2016; Gilem, 2014; Tkachenkol, 2017, & Shash, 2014).

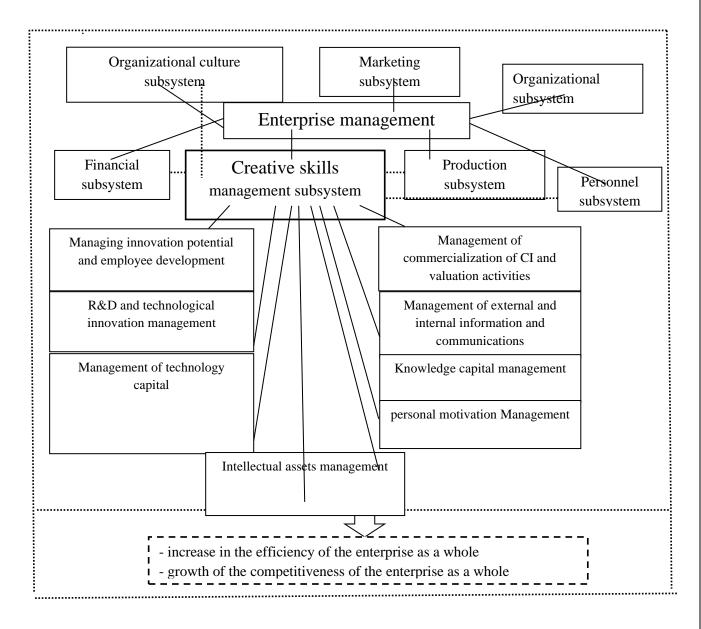
- 1- Creation of an atmosphere of innovative susceptibility, ensuring the development of employees and their motivation to accumulate and multiply creative skills.
- 2- Contribute to increase the productivity of intellectual labor and a penchant for creative work.
- 3-Contribute to increasing employee job satisfaction and self-realization through work achievement.
- 4- Exploiting human energies to achieve renewal and development of the work system and adaptation to meet the changes surrounding the organization.
- 5- Contributes to discovering the individual capabilities of employees and directing them towards achieving the goals of the organization. Thus, a goal of creative skills management is to implement the gathered knowledge and abilities in the final material product with full competence. At the same time, the administration system must affect the very process of making creative skills, the implementation of knowledge and obtaining high earnings.

#### **Creative skills management**

The creative skills of industrial enterprises are an integral part of the process of creating added value. In this regard, the creative skill of an industrial enterprise needs effective management, like any other group of assets. In this context, creative skills are viewed as an integral component and implies the combined management of all basic assets. Trying to manage an individual intellectual asset in separation from others implies a lower level of efficiency (Plekhanov, 2017). The management of the creative skills of an industrial enterprise is based on finding ways to effectively make and utilize knowledge and

information to achieve the set goals. Based on this, we can say that the main goal of creative skills management is the intellectual support of the business process of an industrial enterprise, constant development and an increase in the value of intellectual assets (Ilyinov, 2017).

So, the authors see, when the strategy of modern companies should provide for the development and augmentation of creative skills of human resources, in order to resolve these problems and increase the effectiveness of creative skills management, it seems necessary to allocate an appropriate distinct subsystem. In general, in the creative skills management system, the following subsystems are distinguished, Figure 1. Thus, a separate subsystem of creative skills administration, distributed between with production, financial and other subsystems of enterprise administration.



## Figure 1: Subsystem of creative skills management

- 1. Administration of innovative possible and employee advance. The explanation to this issue is the making and advance of knowledge funds, that is, "employees of intellectual labor are required to perform work on the basis of complicity and teamwork".
- 2. Administration of information and communication. A prerequisite for the implementation of this task is to improve the system for information processing and information flow management, or in other words, the formation of an information base based on modern software.
- 3. Creation of a methodological main for the management of intelligent assets. This mission boils down to regulating the activities of various employees difficult in the development of creative skills on the basis of mutual coordination of their activities.
- 4. Motivation and personal approach. The solution is to debug the system of motivation and stimulation of the creative activity of employees for the incessant reproduction of creative skills, while it is necessary to must an appropriate attitude towards employees who are the main value in the environment of creativity. It is necessary to highlight one more important fundamental element of the creative skills management system the assessment of the effectiveness of creative skills management.

#### **METHODOLOGY**

And we can estimation of the effectiveness of the fundamental elements of the creative skills management system of a manufacturing enterprise as a whole can be carried out on the basis of the Management Functional Assessment Model (MFAM). This model was advanced by experts (Maslov, Watson, & Chilishi, 2005). The method is based on the use of survey and interviewing tools. The objectives of this technique are as follows the (Zeihaml, 2000; Tkachenko, 2017 & Maslov, 2005).

- Assessment of the competitiveness of the manufacturing enterprise as a whole.
- Evaluation of actions for the management of a manufacturing enterprise, identify strengths and weaknesses.
- identify areas of priority improvements and track their dynamics.
- increasing the competitiveness of business as a whole.
- improvement of the creative skills management system

Besides that, the uniqueness of this technique lies in the statement that the assessment itself can be performed not only by top management to managers of various levels, but also to employees of the enterprise, which in turn will provide a two-way assessment system. At the same time, this model can be applied many times in order to identify trends in development and the level of efficiency of creative skill management of an enterprise. Based on the above, we will present a practical aspect of assessing the effectiveness of elements of an creative skill management system based on a management functional assessment model (MFAM) for an industrial enterprise (Iraqi Cement state Company, Iraq).

The assessment will be based on five management functions as assessment criteria: (Zeihaml, 2000; Tkachenko, 2017, & Maslov, 2005).

- Forecasting or planning;
- Organization;
- Motivation;
- Control;
- Coordination and communication.

Moreover, each of the assessment criteria, in turn, will consist of five sub-criteria. The maximum value of efficiency is taken from 100 points, then each of the criteria will have 20 points, and for each sub-criterion - 4 points .To determine the state of sub-criteria, each element is evaluated on a 4-point scale, table 1.

**Table 1** *The Scale for Assessing the State of the Sub-Criteria* 

Score, point	Sub criterion status
0	No activity in progress
1	Activities are not constant, from case to case
2	"Activities are carried out partially, depending on the situation"
3	"Activities are ongoing and systematic"
4	"Activities are carried out as efficiently as possible (reference level)"

Source: (Zeihaml, 2000 &; Tkachenko, 2017, & Maslov, 2005).

For our study, experts involved in scientific and technical developments at the enterprise, executive workers who use intellectual resource assets in production and employees of the marketing service, procurement service, and personnel management were involved in the expert assessment. Thus, The departments included (human resources, quality, marketing, information system, planning and control, research and development, industrial management). The sample of the study was (173) employees in various departments. Now,

we present the final structural-criterial assessment of the effectiveness of the elements of the creative skills management system at "Iraqi Cement state Company, Iraq" in Table 2.

**Table 3**Structural-Criterial Assessment of the Effectiveness of The Elements of the Creative Skills
Management System at Iraqi Cement state Company, Iraq

Name of criterion / sub criterion	Points	Evaluation experts
1. Planning	20	2
1.1. Setting goals and strategic objectives in the field of enterprise creative skills	4	0
1.2. Collection and analysis of information about new intelligent products on the market, about leading scientific and technical developments, about customer needs, about the market situation as a whole	4	1
1.3. Detailing the business process	4	1
1.4. Collection and analysis of information on the types of creative skills used by competitors	4	0
1.5. Planning smart resource assets	4	0
2. Organization	20	8
2.1. Formation of an organizational structure taking into account the acquisition, generation and use of intellectual resource assets and their protection	4	0
2.2. Distribution of powers and establishment of areas of responsibility for the acquisition, generation and use of creative skills and their protection	4	2
2.3. Conditions for creating intelligent products	4	1
2.4. Implementation of the main process of using creative skills	4	3
2.5. Efficiency of the process of creating new value for the consumer	4	2
3. Motivation	20	9
3.1. "Leadership and corporate culture"	4	3
3.2. "Conditions for training and professional development of personnel"	4	2
3.3. "The level of creative needs of workers"	4	2
3.4. "Involving employees in the process of generating creative skills"	4	1
3.5. "Satisfaction of employees with the results of their intellectual activity"	4	1
4. Control	20	9
4.1. Quality control system for the use of creative skills at each stage of the business process	4	2
4.2. Criteria for evaluating the results obtained	4	2
4.3. "Measuring customer satisfaction"	4	2
4.4. Rational use of creative skills	4	1
4.5. Compliance of the obtained results with the established goals	4	2
5. Coordination	20	11
5.1. Linking and coordinating the first four functions	4	2
5.2. Establishment of internal relationships of the enterprise	4	2
5.3. Conflict Resolution System	4	3
5.4. Ongoing variance analysis: revising and adjusting plans	4	2

5.5. "Information management"	4	2
"Overall assessment of creative skills management"		39

The result of the structural-criterial assessment of the effectiveness of the elements of the creative skills management system at this industrial enterprise was 39 points.

Further, to determine the level of development (maturity) and the level of efficiency of the elements of the creative skills management system at the industrial enterprise under study, we will use Table 4, which presents the characteristics of five levels of the state of management with a point breakdown in the range of 20 points.

 Table 3

 Levels of Development (Maturity) of the Elements of the Creative Skills Management System

Level	Points	Control state characteristic.
I	0-20	Management is haphazard, aims are undefined or vague. Additional growth is possible only on the basis of a radical revision of the values of performance business.
П	21-40	"The management system has development potential, but it is being poorly realized. Management should take the initiative to clearly articulate objectives and develop a strategy for the development of quality-based management system elements".
III	41-60	"The enterprise management system has been formed. Emphasis should be placed on optimizing the business process and improving quality at every stage. It is necessary to improve the management system taking into account the importance of the consumer and the importance of personnel".
IV	61-80	Continuous development of management quality is carried out in almost all areas. The momentum for development should be maintained and the transformation of the remaining problem areas should begin utilising benchmarking and other development strategies.
V	81-100	"The maximum results have been achieved in all areas of management activity, the management system is a reference".

Source: (Zeihaml, 2000; Tkachenko, 2017, & Maslov, 2005).

Thus, comparing the results obtained, it can be stated that the elements of the creative skills management system at the industrial enterprise "Iraqi Cement state Company, Iraq" correspond to level II - the overall assessment of management efficiency (39 points) is in the specified range from 21 to 40 points. This suggests that the studied enterprise has the potential for the development of creative skills management, but the possibilities are practically not realized. In this regard, the management is faced with the task of setting development goals, in accordance with which the strategy for the development of the creative skills management system of the enterprise as a whole will be developed. Note that actions to

improve one criterion or even a sub-criterion can have an impact on the rest. "The degree of such impact is determined by the mutual integration of the creative skills management functions, and hence the level of their communication. Accordingly, the higher the level of communication, the more effective the interaction and feedback".

To assess the communication of creative skills management within the framework of this functional model, a pentagram is used, which makes it possible to see the communication profile of the industrial enterprise "Iraqi Cement state Company, Iraq", Figure 2. This construction of the pentagram and the overlay of a communication profile allow us to identify critical points of change, i.e. those priority areas of change that will improve the efficiency of creative skills management in particular. At the same time, the main role of the communication profile is to identify acute problems associated with planning, organization and motivation, precisely those that especially need more detailed analysis and improvement. Subsequently, it is possible to assess the dynamics of the changes taking place by overlaying a new communication profile on the previous one, etc. This will make it possible to more accurately assess the efficiency of the improvements and the level of efficiency of the elements of the creative skills management system. Observing at Figure 2, we note that Iraqi Cement state Company, Iraq needs a comprehensive planning process in order to raise efficiency and attain objectives. Speaking about the strategy of the enterprise in the management of creative skills, we note that this capital needs to manage the processes related to the reproduction of creative skills in a comprehensive manner, with the aim of improving them, increasing efficiency (both in-house processes and those affecting external subjects. At the same time, the organization of a developed communication network will contribute to the free circulation of information, which will, in turn, increase all processes of growth of creative skills, as well as with the aim of filtering information and presenting it in the required form for operators.

Thus, we came to the conclusion that the effective management of the creative skills of an industrial enterprise should be an integrated approach, including a system of assessments of creative skills management. Considering the fact that all enterprises in the industrial sector, having business models that differ significantly from each other, indicate the absence of a single methodology for assessing the effectiveness of elements of the creative skills management system. Evaluation of efficiency based on a functional model allows you to identify the points of competitive advantages that intellectual property gives to an enterprise and use their potential.

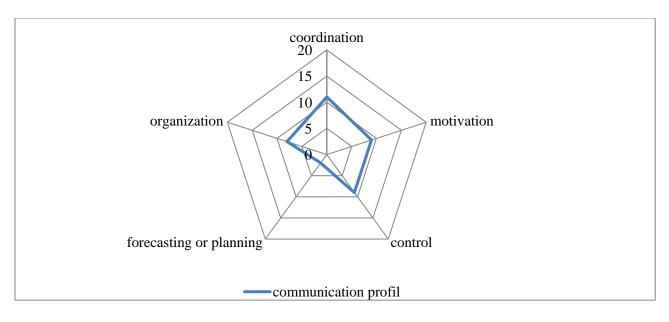


Figure 2: Evaluation of the effectiveness of the elements of the creative skills management system of Iraqi Cement state Company, Iraq

#### **CONCLUSION**

Creative skills are considered one of the main sources in increasing the efficiency of the organization and raising its economic value. Through research and the use Management Functional Assessment Model (MFAM), a number of results were reached, the most important of which is that Iraqi Cement state Company, Iraq needs to develop comprehensive plans for all sectors and specify the aims, techniques and methods used in order to achieve the goals. In addition, interest in the organization process by organizing the various resources of the firm, and working on guidance in order to achieve the company's goals. Creative skills need a continuous development process in order to create creative ideas, in addition to developing and motivating working individuals. As a result, the study reached a set of recommendations; there is a need for a clear legal basis, how such managerial creative skills at the junction of economic and legal processes. And interesting the individual characteristics of employees, since intellectual activity cannot be controlled separately from specific individuals. Thus, this proves once again that the ultimate goal of creative skills management is to implement the added knowledge and abilities in the final material product with maximum competence. At the same time, the management system must influence the very process of creating creative skills, the implementation of knowledge and obtaining great earnings.

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