

# Perfections toward Theory of Management by Abilities for Teachings in Business-Public Administrations

Revaz Lordkipanidze<sup>1,2,3</sup> 

<sup>1</sup>American Economic Association, Nashville, USA

<sup>2</sup>Georgian Academy of Economic Sciences, Tbilisi, Georgia

<sup>3</sup>Faculty of Health Care Economics and Management, University Geomedi, Tbilisi, Georgia

Email: revaz.lortkipanidze@geomedi.edu.ge

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## Abstract

The demands of the post-COVID-19 era with dangerous hidden monopolies have forced us to refine our Theory of Management by Abilities for integrated study of Business and Public Administration. The world market is arranged in such a way that a human has more than enough of everything. At the same time, the digital era is leading the world towards a transparent and more abundant coexistence, but the most important obstacle on this path is hidden monopolies. So, it is necessary to have a society based on the best antimonopoly education, and among them, the study of the art of management is one of the most important areas. We must understand well that, along with the important merits of the private sector, the role of the state is no less important, especially in regulating natural monopolies. Thus, society should not find itself in an endless conflict of extremes. Both forms of ownership are important, and we must better understand the possibility of managing them in close interaction with public and business administrations.

## Keywords

Economics, Management, Teaching of Business and Public Administration, World Market

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## 1. Introduction

We have all encountered cases where in various regions of the resource-rich world there is an inadequate standard of living, which is mainly caused by insufficient economic education. In our opinion, the elements of economics should begin at the initial stages of a child's education and a person should be armed with the

necessary mechanisms for a better life and protection from economic aggression.

Accordingly, it is logical that the teaching of economics is organically linked to the best business and public administrations to human economic security and better protection of the world market.

Some theorists believed that the private sector of the economy would completely absorb the public sector, but, as we can see, the private sector is the most efficient among all other forms of ownership, however, in certain areas the role of the state is significantly increasing, including in space research and environmental issues, in the production of defense equipment, in fundamental science, in the fight against pandemics and other serious diseases, in the training of personnel for government agencies, etc.

It is gratifying that the best examples of a correct understanding of the role of the state and reasonably synthetic management are provided by the modern USA, China, Switzerland, Great Britain, Japan, a number of countries of the European Union and the former Soviet Union.

We believe that modern administration (both business and public) is at a particularly pivotal point, where traditional administrative approaches are being replaced by data-, technology-, and skills-based management.

Global economic and technological transformations require a new type of leadership—a model that should represent an unprecedented synthesis of public governance, business administration, and digital technologies at the global and local levels, which, in turn, is reflected in the strategic conceptual vision of the teaching we propose.

## **2. Theoretical Framework**

In a dialectic from simple to complex, let's begin with an understanding of our theory of capability-based management, which suggests focusing on one's own capabilities rather than utopian goals. At this stage of improving the theory we propose, we consider it of primary importance to introduce humane methods and mechanisms for monitoring working hours, improving the qualifications of personnel, using the latest technology and effective business-public collaboration.

Unlike famous management by objectives, the distinctive feature of our theory of abilities is the need to further stimulate our natural advantages and, through the income received, support those who are lagging behind. According to our observations, the fetishization of the cult of personality in the USSR, which was the goal of the dictatorship of the proletariat, led to very serious disillusionment and depression.

The balance sheet method of economic analysis, along with the understanding of the structure of the atom from physics, Newton's third law of interaction, and the law of the force of electricity about the necessity of a rational level of resistance, led us to the necessity of a reasonable synthesis of the study of private and public administrations. The initial impetus for these balance analogies from the laws of physics was given by an elementary dream, during which the idea was born that the force of reasonable competition could be defined in the same way as the well-

known law of electrical current.

As a result, the consequences of the other laws of physics mentioned simply showed us their truth for economics, that every action is followed by a reaction and that in every stable system an atomic-like balance is necessary and that the infinite increase of competitors and the reduction of the market subjects resistances may, like a short circuit, damage the economy, as happens in overproduction.

In the digital-intelligent age, true miracles are being performed by God and science, and international economic and other famous local organizations are already giving this particular importance for their perspective long and near-term strategy and wise administration (World Economic Forum: Davos, 2025; Digital@UNGA, 2025; UNU-EGOV Strategy, 2025; OECD, 2025; World Bank Group, 2025; Top Universities for Studying Public Administration in United States, 2025; Harvard Kennedy School, 2025; Discover the Leading Public Administration Doctoral Degree Programs, 2025; Menchik, 2025; London School of Economics and Political Science, 2024).

Despite the existing differences, especially in the goals of management and the specific understanding of public and private regulations, it is important to note the growing interest of science as a whole in these issues (Drucker, 2007; Hofmeister & Borchert, 2004; Holzer & Schwester, 2024; Parlak & Dogan, 2022; Lordkipanidze, 2025a, 2025b, 2025c, 2025d, 2024a, 2024b, 2022, 2021, 2020).

We believe it is necessary to note that we have devoted many years to the study of the theory and practice of public and business administration, developed the formulation of EU experts and discovered a significant quantitative gap in the classical view of a balanced understanding of the perfect competition of the public and business sectors.

Our long-term experience in government structures, participation in the most difficult process of joining the UN and receiving significant benefits of integration, also helped us in obtaining theoretical results.

### 3. Proposed Educational Model

The public governance system and elementary business managerial skills in the world is experiencing dynamic changes. The innovative economy, the spread of artificial intelligence and data policy pose new responsibilities to the state.

Today, state agencies need flexible managers who possess technological thinking, analytical skills and know the tools of business administration.

According to global practice, modern public governance training programs already include such topics as:

- Digital public services;
- E-Governance systems;
- AI integration in public policy;
- Data-driven decision-making;
- Business–Government collaboration models, etc.

The main priorities of such educational programs are: Integration of global

standards, integrated data management, private-public partnership, innovative teaching based on the requirements of the time, the use of e-commerce in the public sector.

We should know that e-commerce is not just a reality of the market mechanism- it is increasingly organically intertwined with public governance. According to our observations, the principles of e-commerce in the public sector contribute to a significant increase in service quality, transparency and economic efficiency.

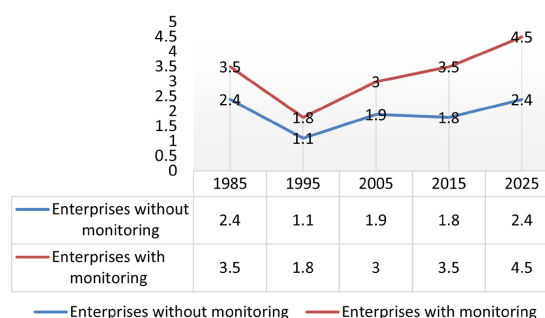
In addition, knowledge of business administration in the public sector is necessary for making strategic decisions, harmoniously and scientifically managing projects, and for establishing a humane and pragmatic management culture oriented towards results.

***The model we propose is a unique network approach that combines the principles of public administration, business management, education and competition. In addition, our vision of management is a different form of Drucker's ingenious "Management by Objectives", where the focus is not on goals, but on better use of the skills of human society.***

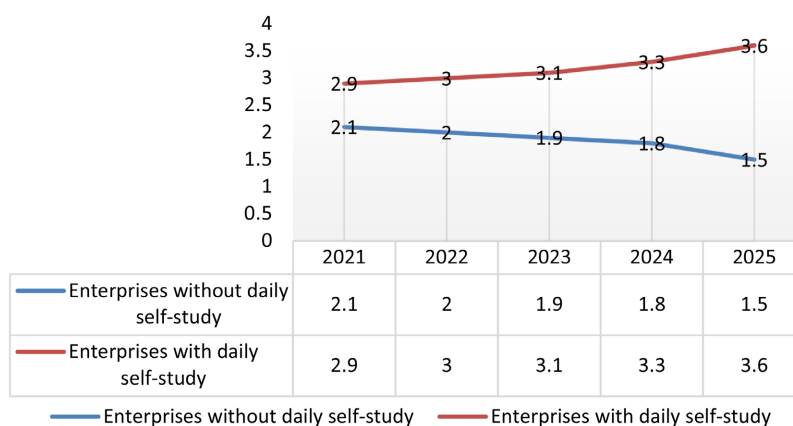
Our theory Atomic Balance in Perfect Competition not only transforms the fundamental paradigm of economics, it creates a balanced model of public-private education at all three levels of university education (bachelor's, master's, doctoral), and in the nearest strategy, public administration education should increasingly be based on the following subjects:

- Electronic governance and public services;
- Fundamentals of business administration for the public sector;
- Skill-based management;
- The theory of competition with atomic balance;
- Rational limits of artificial intelligence in governance.

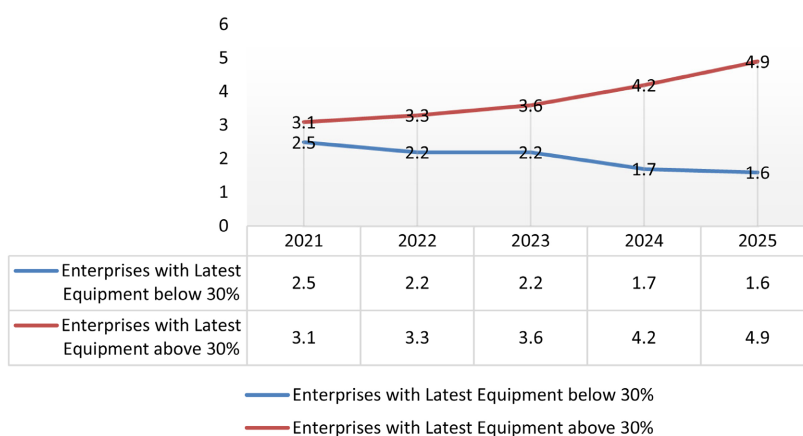
The studies we conducted (Figures 1-5) clearly showed the most significant reserves in monitoring working hours, improving the qualifications of personnel and respect for experienced managers, using the latest technology and robots.



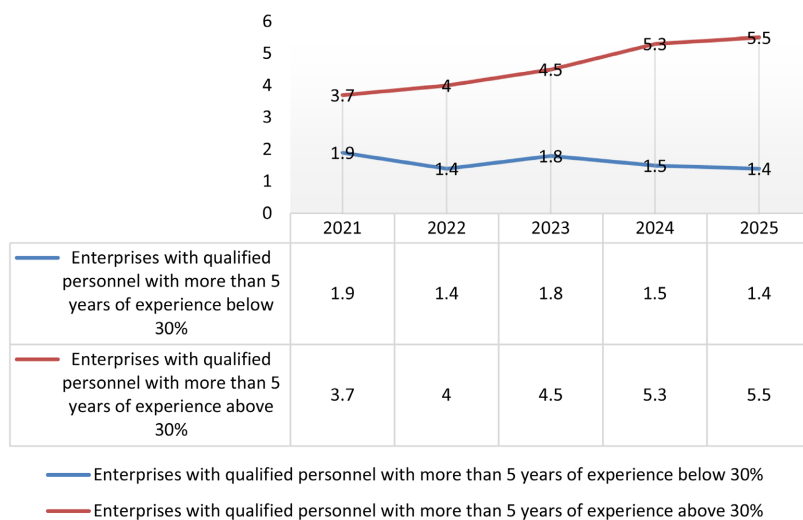
**Figure 1.** Return on fixed and working capital in industrial enterprises by groups with and without monitoring of working time. Source: Here and for all other Figures, according to the author's generalized expert assessments (starting with doctoral research) by the method of grouping of statistical data in the industrial enterprises of Georgia, 1985-2025, using comparisons of official generalizations on labor productivity in the industry of Georgia for 2006-2024: <https://www.geostat.ge/en/modules/categories/326/statistical-survey-of-enterprises>.



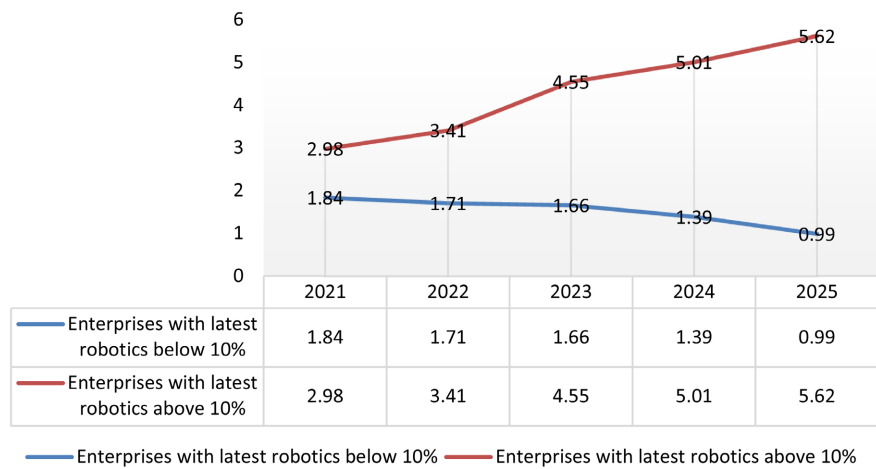
**Figure 2.** Return on fixed and working capital in industrial enterprises by groups with and without monitoring of working time.



**Figure 3.** Return on fixed and working capital in industrial enterprises by groups with a share of the latest equipment (less than 1 year old) in the machinery fleet above 30% or below 30%.



**Figure 4.** Return on fixed and working capital in industrial enterprises by groups with a share of the qualified personnel with more than 5 years of experience in the total number of personnel above 30% or below 30%.



**Figure 5.** Return on fixed and working capital in industrial enterprises by groups with a share of the latest robotics (less than 1 year old) in the machinery fleet above 10% or below 10%.

#### 4. Conclusion

For example, Public administration (naturally, Business administration as well) education should be based on skill-based management, economic balance and digital governance. It is our approach that combines business mechanisms and public policy in education as well.

*Accordingly, we offer the public a 3-level conceptual model of teaching and research for the upcoming 10-year strategy (subject name: Public Administration):*

- Bachelor's degree (teaching-oriented);
- Master's degree (preparation for research);
- Doctoral degree (research).

**1) General information about the proposed educational levels: Semester: I or II (depending on the specifics of the program); Type of study: theoretical-practical.**

##### 2) Objective of the subject:

The objective of the subject is to develop knowledge, skills and values in students about modern public administration systems, where Technologies, E-commerce and Business-management based on skills (Competitive Management by Abilities) create a new culture of governance. Teaching public and business administration in a disconnected manner leads to a "knowledge" where students talk about serious issues and do not understand the elementary connections.

The objective of the subject is to help students:

- Understand the role of modern public administration in the digital economy;
- Understand the relationship between business and the public sector;
- Develop research and analytical skills;
- Be able to apply theoretical models in practice.

##### 3) Subject Target Results:

- At the Bachelor's level, the student should know the basic principles of public

governance, the relationship between e-governance and business in data analysis, the evaluation of public projects, is responsible for the practical application of the acquired knowledge in the public context.

- At the Master's level, the specialist should possess deep theoretical knowledge of public governance, e-commerce and skills-based management, develop a research design, conduct comparative analysis, independently plan research or practical projects.
- At the Doctoral level, the scientist-specialist should possess integrated knowledge in public governance theories and innovative economic models, be able to create a new theoretical framework based on the requirements of the time, develop new knowledge in discussions about public governance.

#### **4) Content of the course:**

##### **Bachelor's degree:**

- Initial stage of study;
- History and principles of public governance;
- Digital governance and innovation;
- The use of e-commerce in the public sector;
- Fundamentals of business administration in public management;
- Competitive Management by Abilities;
- Ethics, transparency and civic responsibility.

##### **Master's degree:**

- Preparation for research;
- Public policy analysis;
- Data-driven governance;
- Atomic balance theory in economic governance;
- Transformation of Peter Drucker's "Management by Objectives" in the 21st century;
- Research methodology;
- Study of international practice (Harvard Kennedy School, LSE, OECD, WB, EBRD models).

##### **Doctoral studies:**

- Research stage;
- Theoretical development of ability-based management;
- Empirical testing of the atomic balance model;
- Ethical architecture of public governance;
- Economic models of balance of public and business sectors;
- Conducting scientific research, publication rules, DOI registration;
- Use of international indexed databases (Web of Science, ResearchGate, Scopus).

#### **5) Teaching methods:**

- Lecture and discussion;
- Case study;
- Group projects;

- Individual research;
- Practical work with public institutions or private partners.

#### **6) Assessment system:**

Midterm assessment 20%; Practical assignments/research 40%; Final exam 40%.

#### **7) Validation of results:**

The subject is updated every two years—taking into account new theories, technologies and international experience. The University Academic Council determines the necessary period of changes, based on the requirements of the time.

Our different research results have been used to improve legislation and we would be very pleased if these new ideas are finally implemented in modern government educational reforms. As we know, “connection culture theory, developed by American business expert Michael Lee Stallard, emphasizes the importance of fostering meaningful interpersonal relationships within the workplace” (Mohn, 2024). So, in our opinion, the future of the theories and practice of management and administration should be based on the internal culture of respectful relationships of the leader and the best knowledge of the outside world, and not on the targeted ambitions of being a dictator.

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### **Conflicts of Interest**

The author declares no conflicts of interest regarding the publication of this paper.

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