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THEORETICAL FUNDAMENTALS OF THE BALANCED TERRITORY ECONOMIC DEVELOPMENT STRATEGIC MANAGEMENT CONCEPT

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Abstract. *The article is devoted to substantiation of the balanced territory economic development strategic management concept. Approaches are summarized that generalize the target direction of regional development: functional-resource, system, behavioral, cluster, strategic, scenario. The own concept of strategic management of balanced territory economic development where the basis is a substantiation of introduction of methodical bases of strategic management system through application of functional modeling is resulted. It is determined that the process of strategic management will solve problems related to: identification of imbalances and difficulties that distort the functioning of the region; establishing the reasons for the deterioration of the regional economic system; formation of the program of actions of realization of the strategy connected with restoration of functions of management and territorial structure of national economy; implementation of a plan of control measures to implement the strategy of balanced economic development. The principles of balanced territory economic development strategic management within the concept are substantiated.*

Keywords: *economic development, balanced development, strategic management, balance, concept, principles.*

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Introduction

Modern development of the national economy is accompanied by the significant transformation processes, reforming the territorial and sectoral structure of the economy of the regions and unstable changes of socio-economic nature. The need to solve pressing problems of the state, improving the quality of life of the population causes the emergence of new challenges in finding effective tools to ensure balanced economic development of the territories. On the other hand, the effective functioning of territories in Ukraine also becomes possible on the basis of the formation of effective state management mechanisms that will be able to ensure the sustainable development of territories. After all, the quality and speed of administrative changes in the country, restoration and development of territories depend on their availability. In this situation, one of the effective tools is the strategic management of economic development of territories, which contributes to the achievement of proportional parameters of economic potential of the main production and production infrastructure. All these necessitate the development of a methodological basis, methodological support and practical recommendations to ensure a balanced economic development of the country. Thus, the development of key provisions of the concept of strategic management of territories balanced economic development should be considered as an urgent task.

Literature Review

Numerous foreign scholars, such as A. Goncharov, D. Endovitsky, O. Yergunova, M. Porter, N. Sirotkina, and others, dealt with the study of economic development at the regional level. Among the Ukrainian scientists such scholars as O. Berdanova, V. Vakulenko, G. Vasylychenko, B. Grechanyk, N. Hrynychuk, M. Kanadets, M. Maksymchuk, Y. Malenkov, L. Slutskin, Y. Surmin, O. Yankovy should be singled out. Emphasis on strategic development management in their researches was placed by: O. Berdanova, V. Vakulenko, I. Valentyuk, V. Petrosyants, A. Tkachuk, D. Baker, J. Bryson, S. Haines, R. Stacey, D. Griffin. In view of this, the issues of overcoming the existing problems by finding new tools to stimulate the economic development of the territories in the country and taking into account the idea of a balance are becoming timely and relevant. Therefore, substantiation of the theoretical basis, conceptual provisions, principles and approaches to the management of balanced economic development of territories is a necessary task today.

The purpose of the article is to summarize the existing approaches to understanding the essence of a balanced economic development of territories and to formulate the provisions of the concept of its management.

Results

Science has long studied the phenomenon of development, clarifying the meaning of this concept and its structure, but the emphasis in the study of economic development has been placed in accordance with the existing theories of economic development. A large number of well-known foreign and domestic scientists have devoted their work to the study of scientific and theoretical positions and applied bases on the development of territories. Thus, Yu. Surmin defines development as qualitative transformations of the substrate, structure, connections and functions of the system, which are carried out under the influence of both internal and external factors. This confirms the statement that it is important in the context of the study of territorial development to substantiate the factors influencing it. Other Ukrainian scientists (O. Berdanova, V. Vakulenko, N. Hrynychuk) emphasize that the peculiarity of regional development is the effective and rational use of the potential of national and local human, institutional, financial and material resources. At the same time, B. Grechanyk, G. Vasylychenko and M. Kanadets agree that the development of the region is a mode of a regional system functioning that provides positive dynamics of quality of life characteristics due to a sustainable and balanced reproduction of social, economic, resource and environmental potentials. In the context of systemic and targeted approaches O. Ergunov gives the definition to development according to which development always has a direction, which is determined by a goal or a system of goals. In this case, if this orientation is positive and socially useful, then it indicates progress; if it is negative – it means regression or degradation. In turn, M. Porter in his scientific article explores the basic facts about regional economic development, the structure of regional economies and the role of clusters in the US economy. He notes that the development of regional economies is largely determined

by the strength of local clusters, viability and the number of innovations. Despite the considerable number of scientific publications in this field, there is still a variety of approaches to understanding the nature and content of the territory development.

In the scientific literature you can also find the definition of regional development as a progressive change in its internal socio-economic structure. But this interpretation does not allow to determine what changes will be considered progressive and what criteria should be used. It should be noted that it is not possible to answer these questions unequivocally, due to the lack of unity of opinion among economists and the distinctive features of each region both in terms of economic and social structure and the scale and vectors of its development. Under territorial development, the Russian scientist O. Ergunova understands the most general approach to the state tasks of development management, based on system-structural ideas about the integrity of the country. This definition is given in a more generalized form, if we detail it, we have the following interpretation: "development of a single scheme of territorial development of the country in combination with the tools of business activity, increasing social capital and centralized state intervention in the spontaneous process of spatial restructuring" [6].

It should be noted that modern interpretation of the development of the territory differs in many aspects from the previously dominant approach, when the development of the territory was identified with the development of productive forces of a region. Production growth is certainly important and necessary in the context of ensuring social and living standards and quality of life, but if it is accompanied by environmental degradation, disruption of socio-demographic proportions and other manifestations of economic, social, environmental and demographic imbalances, such growth cannot identify with the development of the territory.

Therefore, it is necessary to emphasize that in modern scientific and practical environment there are several approaches to the development of territories. The analysis of scientific literature confirmed the existence of many approaches to the development of territories in modern scientific and practical environment, but each of the presented scientific approaches does not refute each other, but rather complements the content of the category with a new qualitative understanding of economic nature of a territory. Thus, the functional-resource approach involves the optimal use of the whole set of different types of resources necessary for the development of a territory. The behavioral approach focuses on the improvement of the processes of renewal and decision-making through an effective management of population culture. The most popular approach to the development of territories is strategic one, because it involves the formation of strategy as prospects for the territory development in the current conditions of economy.

The cluster approach to the territorial development not only allows to build a strategic dialogue between the authorities and the professional community, but also serves as a tool to stimulate innovation at the regional level, which increases the effectiveness of public policy through comprehensive support programs and connects development institutions. The cluster approach in intensifying the development of the

territory is more justified in the national Ukrainian realities, given the importance to a modernization and the desire for innovative growth of domestic economic complex.

It should be noted that today a large number of scientific and practice-oriented works have been published on the issues of positive development of clusters within the territorial boundaries of the regions. Thus, the ancestor of a cluster theory is considered to be M. Porter, who described a cluster as "a geographically limited group of companies, suppliers, service providers and associative institutions in the field, related by relationships of different types" [13, p. 109]. Developing M. Porter's theory, M. Enright introduced into scientific circulation the concept of "regional cluster", considering it as one localized in space, within one city and surrounding areas, including almost all links, as well as a wide range of participants in one chain of value creation.

Examining the application of the cluster approach at the regional level, one should agree with M. Porter's position that regions should focus on increasing the productivity of all clusters in which they have a significant position rather than trying to migrate to more "desirable" clusters. At the same time, regional authorities should focus on the analysis of barriers to the implementation of cluster initiatives and opportunities to eliminate them, funding on the principles of public-private partnership projects for the development of regional clusters, especially in the development of scientific and educational cluster, cluster integration approach to regional strategies, programs and projects.

For many areas of application this cluster approach intensifying the development of territories allows to combine organizational and economic efforts of elite leaders in the region, business community and the interests of the population involved in enterprises and research organizations and the population consuming regional products. At the same time, in each territorial entity there are industries that act as leaders in this process, and industries that are known and "catch up" with them, helping to bring the economy of the territory to a new level. One of the main attitudes of business development based on the formation of clusters in the region is the formation of favorable conditions for business competition, which involves a combination of effective cooperation, often providing a synergistic effect.

It should be noted that in the scientific literature there are also other approaches to the development of territories. Among others we can distinguish: systemic, effective, scenario. Thus, without the use of a systematic approach to study the meso-level systems, which include regions, is meaningless. The application of a systems approach allows to provide planning structures with such information that is necessary for making managerial decisions both in time and space. This, in turn, ensures consistency of decisions among themselves in areas and resources, which allows to achieve the implementation of innovative development programs of the territories with the greatest efficiency. The interpretation of the development of territories in the framework of an effective approach is carried out in the context of assessing the level of development territories. It is secondary and more clarifying. It is better and more correct to focus on the combined option, which combines

functional-resource, system and effective approaches, which allows to reflect both the state of development and the effectiveness of its action.

In order to achieve sustainable development, it is very important to mobilize all the resources already available in a given territory, and to find new resources-sources to improve the functioning of the economic system. In this regard, it seems necessary to achieve a balanced system of economic interests as a tool for a sustainable development and stability of social interactions.

The problem of a balanced development of the regions is among the most discussed, and even in sources belonging to the same historical and temporal period, balanced development is considered from different points of view. Thus, often balanced development is identified with sustainable development, which is not entirely correct, because stability involves maintaining a given state, and balance – the compliance with the established proportions, ensuring a balance between the current and given situation. Other scientists consider balanced development as a certain relationship between a set of factors, with different researchers establishing a special variety of factors that affect the achievement of a balanced state system. Also, balanced development is defined as a result, a target setting to be achieved [8]. Note that, given the complexity of quantifying the degree of impact on the balanced development of the region of various factors, the most accurate and close is the position according to which the balanced development of a region is considered as a target. Such an understanding of sustainable development reveals an excellent opportunity to apply a set of effective methods and tools, such as indicative planning, project management, program-targeted approach in the management of the economy at the middle level. However, for a more objective assessment, the balanced development of a region should be considered in all three (temporal, structural and target) aspects simultaneously [11].

Pluralism of views is also observed in the interpretation of factors influencing the balanced development and determining its conditions. Russian scientists D. Endovitsky, N. Sirotkina, A. Goncharov understand the balanced development of a region as "conditions for the realization of opportunities most effective in the dominant sectors, and competitive entities of the regional economy, able to support subsidized and socially significant areas" [5]. Balanced development of a region is a coincidence that is very well organized taking into account the dualism of economic interests of regional development stakeholders.

The choice of tools to overcome the problems of regions functioning is a difficult task, because each administrative territory has its own specifics. Thus, in some cases, the unevenness or asymmetry of the distribution of productive forces is the cause of slowing down the economic development of territories. However, asymmetry also has positive consequences, and it is this feature that should be taken into account when planning measures to ensure balanced economic development of territories. After all, taking into account the positive consequences and preventing the negative ones, or at least reducing their impact, will allow to implement the planned measures more efficiently and with less losses.

To ensure a balanced development of territories, the main focus should be made on the regional level, where, taking into account the peculiarities of the socio-economic system of the region, it becomes possible to make profound structural changes, balance supply and demand for resources, involve the population and implement environment protection measures. Balanced development of territories, which is aimed at improving the investment climate and socio-economic conditions in a given area, is one of the key tasks at different levels of government.

It should be noted that balance characterizes the coherence (coordination of resource opportunities), which allows the region to accumulate and retain in its structure all the necessary elements that are organized in a certain ratio and interact to achieve the stated goals or the desired results. Such coherence is based on maintaining a certain level of economic activity, able to balance internal inconsistencies through the unity of use of enterprise resources, identifies success factors and focuses on internal economic, production, technological, structural and market opportunities of enterprises.

Thus, balance is important, because in the context of economic development of territories, several goals are possible simultaneously, according to the ratio of functions and resources of a region. The implementation of the principles of sustainable development in the process of strategic management of the territory should be based on the activation of all actors, all stakeholders, representatives of various associations and groups. To do this, it is advisable to choose and rationally use certain tools. It is the mechanisms of involvement of local community [1] and its representatives that are of further scientific interest.

It should be noted that the concept of balanced economic development has emerged as an alternative to modern development. Developed on the basis of scientific study of a large array of empirical material, in-depth analysis of practice and synthesis of new knowledge, it has become a scientific, theoretical and political basis for further development of human civilization.

Thus, the transition to the principles of sustainable development necessitates the improvement of state and regional strategies in order to take a constructive approach to the scientific basis of economic development management.

The analysis of scientific literature on strategic management allows us to identify a certain conceptual reserve for the development of analytical framework for the structures and processes of management in dynamic regional economic systems. According to D. Baker and S. Haynes, strategic management in these complex systems is to manage flexible relationships between stakeholders in creating system capacity for common needs, knowledge exchange, production and distribution of social values [1; 7]. In turn, the work of R. Stacey and D. Griffin provides a basis for reflection on the creation of institutional conditions to support strategic management [12].

It should be noted that the main goal of strategic management is to form a constant commitment to the mission and vision of a particular area (city or region), fostering culture that will maintain a disciplined focus on the strategic order of decision-making processes. According to J. Bryson [4], strategic management is to

analyze the current situation in the region, clarify its focus (priority goals) and determine its capabilities (use of available institutional, financial and human resources). Therefore, to stabilize production and economic sphere at the regional level, it is necessary to intensify the strategic approach to management.

It should be emphasized that the development of the territory, regardless of its scale, largely determines the effectiveness of changes in the national character and affects the development of the state as a whole. And a quality plan for such growth is a prerequisite for making the most constructive decisions. Therefore, the issue of strategic management of regional development in Ukraine has become especially relevant in connection with the decentralization of power and public administration reform. These measures provide for the transfer of authority and appropriate financial resources for the development of territories to the local level, which necessitates the improvement of methodology and tools of strategic management at both national and local levels.

Therefore, strategic management of territorial development involves the systematic adoption of decisions focused on the needs of territorial communities, and the solution of the most pressing local problems, taking into account the optimal allocation of available resources. Strategic management of territorial development not only helps to overcome the disproportionate economic development of territories and improve the welfare of the population, but also strengthens trust in the system of relations "government - business - civil society".

The advantages of strategic management of regional development include the following [3, p.78; 14]: creating preconditions for effective interaction and open dialogue between government, business and community; the ability to solve the problems of regional development, based on its competitive advantages; ensuring the rational use of resources; use of opportunities for the development of territory; providing the ability to control events; preparing the area for possible changes related to the external environment. In addition, the availability of regional development strategies and their further development confirms the importance of a strategic approach to managing the economic development of a region.

Thus, the application of a strategic approach to the development management contributes to a more appropriate placement of productive forces, rational division of labor within the territories, integrated development of territories, equalization of levels of socio-economic development of territories and so on. At the same time, it is important not to forget about the conditions of territorial organization in the conditions of modern development of regions, among which there are: effective development and optimal use of components of development potential of territories; ensuring the ecological safety of territories; application of economic advantages of the international division of labor with the improvement of economic relations of territories; ensuring economic security, which involves the formation and development of territories competitiveness.

Based on the described approaches to understanding the essence of economic development, the need to take into account the balance and identify the features of strategic management, we offer our own concept of strategic management of a

balanced economic development. The purpose of the concept is to determine the main strategic directions of a balanced economic development of the territories, taking into account environmental factors. The concept of sustainable development management should be interpreted as a system consisting of subsystems, ideas and principles that determine the synergistic effect of improving all its components.

In the course of the research it was proved that the most expedient principles of strategic management of a balanced economic development of territories are defined the following: general (system, adaptability, optimality, scientificity, interconnection and interdependence and information security) and specific (harmonization, flexibility, efficiency, complexity, rationality, openness). to innovative transformations, efficiency, control). However, it should be noted that all these principles need to be implemented in the activities of the regions only if the specific principles of governance in general are followed.

The basis of the concept of strategic management of a balanced economic development of territories is the substantiation of introduction of methodical bases of strategic management system through the application of functional modeling. With the help of this conceptual approach it becomes possible to create a system of territory management, which is able to establish the optimal relationship between the individual components of development to reach a new quality of management. The process of strategic management will solve problems related to: identifying imbalances and difficulties that distort the functioning of a region; establishing the reasons for the deterioration of the regional economic system; formation of the program of actions to realize the strategy connected with restoration of management functions and territorial structure of national economy; implementation of a plan of control measures to implement the strategy of balanced economic development.

Formed conceptual provisions for strategic management of balanced economic development of territories provide for the assessment of strategic alternatives and the selection of the optimal development strategy. In this regard, it is important to analyze the problems, as well as to implement the strategy of balanced economic development through regional action programs.

Therefore, the essence of the strategic approach within the proposed concept is as follows:

a certain territory is considered as an organizational system, the external environment of which becomes no less important than the internal. After all, the external environment of a region is characterized by uncertainty and variability, incomplete information, needs to take into account threats and challenges;

It is important to reduce the uncertainty and risks of the external environment to form a strategic vision of a particular area, its mission and development goals. At the same time, the goals are correlated with the resources, opportunities and potential of a region;

the behavior of a region as a certain territory is not aimed at eliminating the consequences and adapting to the environment, but at anticipation and the possibility of implementing preventive actions;

the region provides not just economic growth, but qualitative changes I.e. economic development.

It should be emphasized that the content of strategic management of a balanced economic development within the concept is determined by the need for the developmental, proactive behavior of government in both external and internal environment.

Conclusion

Thus, the preconditions for the formation of the concept of a balanced economic development of territories are analyzed. The purpose of the proposed concept is to determine the main strategic directions of a balanced economic development of the territories, taking into account environmental factors. This will allow the systematical addressing the goals of ensuring the region's competitiveness in the long run, its stability and development. The practical significance of the developed concept lies in the possibility of forming and implementing a strategy of a balanced economic development of the territory as an effective management system, which will provide timely and gradual improvement of economic, organizational, technical, technological, managerial, environmental and other components of this system.

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