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CONTENTS
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UNIVERSAL MATRIX OF MODERN MARKET: SOCIOLOGICAL CONTEXT

The article analyzes the combination of social relations which form modern market. The introduction of two coordinate vectors: a) state of the personality that is in the reproductive, adaptive and creative states and b) state of society, which is in the state of stagnation or developing randomly or according to linear laws, serves the basis for the formation of the coordinate grid with nine taxa. Each market segment has its own "climate" and "requirements" for a company's behaviour. The rationally proved movement across matrix field helps the companies win the competition and survive.

The means of optimization is the corporate ideology as a universal tool of bringing the above-mentioned components into compliance with each other. Corporate ideology has to be of nine types. The conducted research showed that: 1) the mode of declining development corresponds to the ideology of traditionalism, which adheres to the value and sanctity of traditions, value of activity as a repetition and reproduction of existing behavior samples and doesn't presuppose their rational criticism; 2) the mode of imposed development of medium intensity corresponds to the ideology of compromise, which adheres to the need of reciprocal concessions in solving production problems in conditions, when integrative relations between suppliers and customers collapse; 3) the mode of imposed risk – the ideology of conformism, which promotes the value of coordination, leveling, pursuance of uniformity, single-mindedness in conditions, when production conditions deteriorate; 4) the mode of natural development of medium intensity – the ideology of rationalism, which follows the need of further intensification of the production process; 5) the mode of evolutionary development – the ideology of evolutionism, which adheres to the value of timely change of mode of thinking, mindset and activity on account of any modifications of production conditions; 6) the mode of imposed development of high intensity – the ideology of convergence, which coheres to the value of equation of properties of similar production situations and rules of behavior despite the stick-slip changes of production conditions; 7) the mode of initiated risk – the ideology of individualism, which adheres to the value of uniqueness and singularity of individual's activity and mindset to break the conservative system, functioning in static market conditions; 8) the mode of natural development of high intensity – the ideology of innovations, which promotes the value of such way of thinking, mindset and activity that are marked by constant striving for innovations, for the development and implementation of completely new forms of organization of production, work and management, and interpersonal relationships between participants of the production process under the conditions of gradual changes of external conditions; 9) the mode of revolutionary development – the ideology of co-evolutionism, which adheres to the value of such mindset, way of thinking and activity, which perceive the processes inside and outside state enterprise or private company as co-developing.

Keywords: *market, personality, society, company, company's social organism, taxon, market relations, ideology, values.*

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The phenomenon of market is very controversial in modern academic literature. Some authors view it as power, which "sorts everything out" at its option. Other scholars define it as rigid order and appeal to its laws. At the same time business managers need to orient in modern market realia. Therefore, they should have specific knowledge of the essence, content, structure and possible variants of behavior in different market segments.

To specify these attributive market characteristics, we conducted special analysis and classified the existing segments of modern market. I hope that the matrix of market relations will help the heads of small and medium enterprises clearly orient in the market environment.

Market is the combination of economic relations, emerging between producers and consumers in the process of free equivalent exchange of produced goods (services), which is organized according to the laws of commodity production and monetary circulation [7].

It follows from the definition that, first, market always depends on the nature of production, though it is rather independent and actively influences all reproduction processes, their end results and efficiency. Second, market formation is not the goal in itself. It is the means of achieving the efficient system of management. Third, market means the system of self-regulation of economy, which stimulates the development of production by its quantitative and qualitative parameters. However, at present such market is an anachronism. The historical experience shows that free market, which operates automatically and self-regulates, cannot be efficient. Roman law had the norms, regulating market relations of exchange.

Market is defined as a self-sufficient, automatically acting, self-regulating mechanism – an abstraction, which in some way reflects the realia in the economy of some countries at the end of the last century. Modern market is one of the components of a much complex system of management, the elements of which are: 1) market relations, which are based on the competition of separate manufacturers, free prices, supply and demand and comprise market of goods and services, labour market, capital market, finance and credit market, etc.; 2) numerous regulating institutions, primarily state institutions, the main goal of which is to maintain balance between supply and demand, consumption and accumulation of commodity and monetary masses; 3) the system of well-developed legislation, which sets “the rules of game” on the market and transforms the market from “wild” into civilized; those are anti-monopoly (antitrust) legislation, property legislation, laws, regulating contracts, agreements and obligations, consumer protection, labour and social security; 4) state of collective consciousness (culture, ideology, legal awareness); 5) high-quality information and analytical base, i.e. market infrastructure (commodity exchanges, securities exchanges, employment offices, information centres, advertising agencies, non-cash payment facilities, etc.).

The goals of market economy can be achieved if the market performs a range of functions, namely: 1) information function, which reveals social needs, demand for goods and services and gives an insight into market situation; 2) regulating function, which defines the structure of supply and manifests itself in distribution and redistribution of resources in accordance with effective demand; 3) incentive function, which motivates producers to reduce production costs and increase production efficiency by means of introduction of new equipment and technologies, rational use of raw and other materials, quality improvement of goods and services; 4) integrating function, which provides the interaction of the above-mentioned functions and helps to make efficient decisions on operations of businesses; 5) control function, which provides consumers’ influence on production as the market defines the relevance of produced products.

This is a commonplace truth, known to every interested individual, who studied at university or found and read articles on the Internet. On the basis of functional nature of social systems, which include basic social organisms of production and non-production companies, we would like to represent the market as a system of common taxa that emerge depending on the correlation of characteristics of company’s staff (aggregate worker) and state of society. Aggregate worker is all workers, taking part in production of material goods and services. Let’s explain some phenomena in more detail.

A company’s social organism is defined as basic social organism [1-4]. A company can be viewed as a form of social organization, which provides viability of the middle class – the creator of pattern, which is formed by the systems of corporate values. In most economic glossaries company is defined as “an organization, which has business activities” [5]. A company may consist of one or more enterprises. Companies appear in all branches of economy and may have different types of ownership. The notion “company” may also denote a business person’s name or trademark (brand name).

In our point of view, the notion “company” can be used to denote any formal organization in the modern society, which does not necessarily perform business activities, but satisfies certain social needs. Companies function as independent and self-sufficient organizations, as such units of market relations, which are capable of further self-development.

In the generic social system or social organism of any country there is the class of social organisms, which should be called primary. They form a specific level in the general social system. The most widely spread are industrial or business microorganisms. They appear in the sphere of material and spiritual realization and are aimed at satisfying people's needs in certain goods or services.

O. Zinoviev, for example, divides social cells – according to our terminology "basic social microorganisms" – into two groups. He writes: "The first group includes cells, which provide society with food, clothes, accommodation, means of communication and other means for satisfying people's needs. Let's call them productive or business cells. The second group includes cells, which provide the integrity and protection of the social organism, public order, elaboration and implementation of the rules of people's behavior and their associations in relation to each other. Let's call them municipal cells. Their distinctions are not absolute. Sometimes the cells of one group partially perform some functions of the cells of another group. There are mixed cells. Both of them are subject to the force of laws of business and municipal aspects, but to different extent and in different forms. However, there is difference between them, which plays an important role in defining the character of the social organism" [6, p. 53].

There is no general theory of social cells (for example, social cytology). Therefore it is difficult to determine what concentration and association of people is the cell of the social organism. In literature there are the following major features of such formation: from a morphological perspective it is the presence of the governing body, from a functional perspective it is specialization, mainly commitment to satisfy specific human needs. Besides, there are the rulers and the ruled; there are people, who work and earn reward – they perform their major living functions and get means of subsidence for this. This feature of social cell is defining.

O. Zinoviev writes in his work "The West: Phenomenon of Westernism": "Cell is such an association of people that has certain specialization as an entity and acts as an entity within the scope of specialization. The cell has a governing body. It may be an individual or a group of people, in bigger cells it may be a complex organization. The cell cannot exist without governing body" [6, p. 52].

Basic social organisms appeared, because human mind got specific conditions for self-development and further functioning. As a rule, those were intellectual formations limited by circumstances. According to F. Schelling, basic social organism is "a diminished, compact image of the universe". He continues: "The deeper we get into the organic nature, the narrower is the world, represented by organization, and the smaller is the part of universe, compressed into organization" [11, p. 366]. I would like to add that the more complex is the structure of that microform. "Climbing the ladder of a number of organizations we find out that feelings (and I will also add consciousness – *V. B.*) gradually develop in the same order, in which the world of organizations spreads due to them" [11, p. 366-367].

At the same time F. Schelling was right, pointing out that "the basic feature of organization is that it, as if being excluded from the mechanism, is not only the reason or action, but is also the way for itself, as it is everything for itself" [11, p. 369]. I also refer this thesis to social organisms.

Our idea is that at this level the contradiction between an individual and society is in the organizational form and is as follows (Fig. 1).

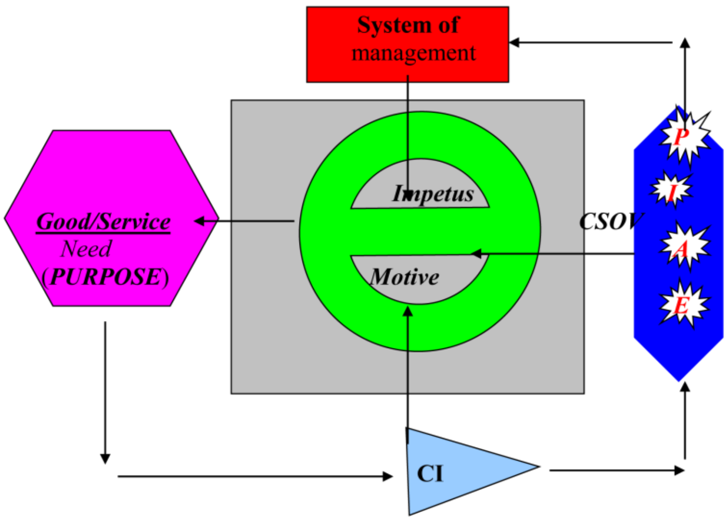

Fig. 1. *Heuristic model of basic social organism*

In this scheme CI stands for corporate ideology;

CSOV is corporate system of values;

E ***A*** ***I*** ***P*** – economic, anthropological, ideological and political values of organization, referring it to country's organism.

The provided model shows that the self-motion mechanism of basic social organism consists of two stages: *direct stage* – from public needs in goods or services to corporate system of values and *reverse stage* – from corporate system of values to goods or services, produced to satisfy human needs. The self-regulation mechanism of company's social organism consists of two separate mechanisms, namely: 1) the mechanism of traditional management due to the system of corporate values, 2) the mechanism of innovation management due to innovative ideas, resulting from company's ideologemes.

Corporate ideology is the aspect of spiritual production and reproduction of basic social organism, motivation is the aspect of material production, in the course of which workers of enterprises, organizations and institutions produce goods or services. Stimulation as a function of the management system is aimed at maintaining vital processes of basic social organism within specific range of variations.

The existence of basic social organisms in the structure of a country's generic social organism promotes the continuous process of production and reproduction of its organs.

Staff or aggregate worker are all people, working for the company, regardless of the type of work they perform: production of material goods or provision of services. According to activity I divide staff into three categories: reproductive, adaptive and creative. These characteristics are well known, therefore I will not comment on them.

Society is an organized group of people, connected by specific relationships at a certain stage of historical development. Society is a social self-sufficient system, based on interrelationships between people, who satisfy their personal needs. The relations between people in society are called social. As a rule, society has its own cultural and historical heritage, social norms and regulations. Every society has its own subjects of social communication – individual, family, class, group, nation, state and others. Major components of society are property, labour and family.

In this case, according to my observations, the state of society can be defined by three characteristics: 1) static society or society in stagnation; 2) society, developing according to linear laws; 3) society, developing by leaps and bounds, i.e. in an unpredictable way. The specific state of a particular society defines the conditions in which the company functions and develops at a certain point.

Taxon (from taxis – location) is a specific market segment [9]. According to other sources, taxon (Latin taxon, plural taxa; from Ancient Greek τάξις – order, arrangement, organization) is a classification unit; an element of taxonomy, a group in classification, a level of taxonomic rank, used in biological classification [10].

The notion "taxon" was first introduced in sociology by academician T. I. Zaslavska. I often used this term in my scientific works. It efficiently performed the explanatory function. The author, who introduces a new taxon and gives it the name, should make it public through publishing the name, providing it with relative diagnosis in widely-spread periodical publications or books.

The notion is mainly used in biological systematics, in which taxon is defined as a group of organisms, combined on the basis of standard methods of classification, interconnected with a certain degree of biological similarity and being distinct from other groups, so that it can be assigned a taxonomic category (taxonomic rank) – species, genus, family, etc.

Every taxon has its own diagnostics. In biological systematics taxon diagnosis is defined as a list of its essential features that differentiate taxon from other taxa (which may include this taxon or be included in it, or do not even intersect). Diagnosis is taxon's intensional definition, which may be monothetic or polythetic.

The monothetic definition of taxon provides that every representative of taxon has a characteristics (or a combination of correlated characteristics), peculiar to this taxon. The polythetic definition of taxon provides that there is no general characteristics of taxon, therefore taxon is characterized by a certain group of features, and none of the members of taxon can be ascribed the diagnostic values of all features, belonging to the group [10].

In other words, in systematics taxon is a group of discrete objects, interconnected with common features and properties, due to which they can be assigned a taxonomic category [8]. Taxon can be singled out on the basis of various features and properties of objects – similarity of origin, structure, content, form, functions, etc. However, in every case the set of features and properties should be enough for taxon to occupy a single place in the system and not intersect with other taxa. To complete the tasks of systematics and taxonomy it is important to distinguish between the terms "taxon" and "taxonomic category".

Taxon always characterizes a certain collection of objects (of organic world, geographical units, language, etc.), taxonomic category denotes only designations and logical conditions of marking this level of hierarchy or rank of system organization. Therefore, for example, in biology, in which these categories are the most widely spread, the notions "species", "genus" and "family" belong to taxonomic categories, taxon is made up of species "Scotch pine" or order "Gnawing animals".

On the basis of the approved idea of social organism, consisting of individual and company's staff or aggregate worker at the moment of their social interaction there appear specific nets of social relations, specific market segments – taxa. All such relations-interactions of companies and society in region, country or even in the world, quantized in taxa, form the matrix of modern market. On the basis of synthesis of these two moments into one organic entity in 1993 I developed a variational model of the combination of social relations, which constitute modern market.

Each taxon, formed during social interaction between company and society, has a specific characteristic feature. Depending on the character of correlation between activity of staff and state of society specific taxa are formed, which define functioning modes in particular space.

We characterize them in the following way: taxon 1 – the mode of declining development; taxon 2 – the mode of imposed development of medium intensity; taxon 3 – the mode of imposed risk; taxon 4 – the mode of natural development of medium intensity; taxon 5 – the mode of evolutionary development; taxon 6 – the mode of imposed development of high intensity; taxon 7 – the mode of initiated risk; taxon 8 – the mode of natural development of high intensity; taxon 9 – the mode of co-evolutionary development (Tab. 1).

Uneven development of society	<u>*Taxon 3*</u> Mode of imposed development	<u>*Taxon 6*</u> Mode of imposed development of high intensity	<u>*Taxon 9*</u> Mode of co-evolutionary development
Linear development of society	<u>*Taxon 2*</u> Mode of imposed development of medium intensity	<u>*Taxon 5*</u> Mode of evolutionary development	<u>*Taxon 8*</u> Mode of natural development of high intensity
Static society	<u>*Taxon 1*</u> Mode of declining development	<u>*Taxon 4*</u> Mode of natural development of medium intensity	<u>*Taxon 7*</u> Mode of initiated risk
Personality	**Reproductive**	**Adaptive**	**Creative** →

Tab. 1. *Classification of social relations in the market model of society development*

It should be noted that taxa 3 and 7 are inappropriate for efficient company's function, as they are high-risk market segments. In one case it is caused by unfavourable external conditions, on the part of society, in another case it is the result of negative internal relations.

Taxa 2 and 6 form the line of imposed development of company, as society is stronger than its staff. As a result, society dictates the behavior forms to the company, which cannot do anything with it and should bend to external circumstances.

Taxa 4 and 8 form the line of natural development. In these taxa company's staff plays a key role due to its activity, which is logical.

Taxa 1, 5 and 9 form the line of optimal development. This means that companies reach best market rates when passing from taxon 1 to taxon 9 through taxon 5.

The specific feature of finding the direction of movement is that one can move only at right angle, as the driving force is either staff or society. If two competing companies are in taxa 2 and 4 it means that the company in taxon 4 will win the competition on the market against the company in taxon 2.

When knowing their state in every particular case one can quickly and without substantial costs define the actual state of company's organism of a particular goods producer, individual or collective, its position at the present time, a desired place in the future and rational promotion route to a more favourable market niche.

Both companies that are in taxa 2 and 4 should move to taxon 5, in which they will be in the mode of evolutionary development. However, each of them will use different ways and methods of transition. The company in taxon 4 will have to create positive external conditions. The company in taxon 2 will have to focus on training of aggregate worker and human resources management. When market entity transits or transfers from one mode to another it develops. The choice of the development factor is the core of rational strategy of its behavior on the market.

Compared to the "growth – share" matrix, familiar to management experts and proposed by the Boston Consulting Group from Massachusetts (USA), the described polysystem of social relations in conditions of economic development of civilization, that I called the variational model of forms of market entity functioning, consists of nine possible variants of development: declining development; evolutionary development; co-evolutionary development; two modes of natural development; two modes of imposed development and two destructive modes of development (Taxa 3 and 7). The movement of market entity in the direction "declining – evolutionary – co-evolutionary development" seems to be optimal, but it is difficult to realize it in pure form in practice.

The methodological value of this matrix was examined in 1993 in the enterprises of Zaporizhzhia industrial complex, mainly in the state corporation "Zaporizhtransformator", the Dnieper Hydroelectric Station, Dnieper Aluminium Plant and universal exchange "Khortytsia". We studied such company's attributive characteristics as specific types of a company's behaviour, positions of staff according to taxa, management style, corporate ideology and corporate system of values.

The proposed matrix of market relations proved to be an efficient methodological tool of marketing and management studies of a company's state, staff motivation and introduction of strategy of its development in the regional market.

At present these figures make no matter, but at that time the aggregate worker of state enterprise was mainly in taxa 1 and 2, the aggregate worker of private stock exchange was in taxa 1 and 4. This means that at that time private structure was more competitive than state enterprise due to a more efficient activity of its aggregate worker. The variational model helped to efficiently solve the problem of optimization of system interaction between the components of company's social organism and a particular worker, professional groups, aggregate worker and organization as an active unit of regional market.

The means of optimization is the corporate ideology as a universal tool of bringing the above-mentioned components into compliance with each other. Corporate ideology has to be of nine types.

The conducted research showed that: 1) the mode of declining development corresponds to the ideology of traditionalism, which adheres to the value and sanctity of traditions, value of activity as a repetition and reproduction of existing behavior samples and doesn't presuppose their rational criticism; 2) the mode of imposed development of medium intensity corresponds to the ideology of compromise, which adheres to the need of reciprocal concessions in solving production problems in conditions, when integrative relations between suppliers and customers collapse; 3) the mode of imposed risk – the ideology of conformism, which promotes the value of coordination, leveling, pursuance of uniformity, single-mindedness in conditions, when production conditions deteriorate; 4) the mode of natural development of medium intensity – the ideology of rationalism, which adheres to the need of further intensification of the production process; 5) the mode of evolutionary development – the ideology of evolutionism, which adheres to the value of timely change of mode of thinking, mindset and activity on account of any modifications of production conditions; 6) the mode of imposed development of high intensity – the ideology of convergence, which adheres to the value of equation of properties of similar production situations and rules of behavior despite the stick-slip changes of production conditions; 7) the mode of initiated risk – the ideology of individualism, which adheres to the value, uniqueness and singularity of individual's activity and mindset to break the conservative system, functioning in static market conditions; 8) the mode of natural development of high intensity – the ideology of innovations, which promotes the value of such way of thinking, mindset and activity that are marked by constant striving for innovations, for the development and implementation of completely new forms of organization of production, work and management, and interpersonal relationships between participants of the production process under the conditions of gradual changes of external conditions; 9) the mode of revolutionary development – the ideology of co-evolutionism, which adheres to the value of such mindset, way of thinking and activity, which perceive the processes inside and outside state enterprise or private company as co-developing (Tab. 2).

Uneven development of society	*Taxon 3* Ideology of conformism	*Taxon 6* Ideology of convergence	*Taxon 9* Ideology of co-evolutionism
Linear development of society	*Taxon 2* Ideology of compromise	*Taxon 5* Ideology of evolutionism	*Taxon 8* Ideology of innovations
Static state of society	*Taxon 1* Ideology of traditionalism	*Taxon 4* Ideology of rationalism	*Taxon 7* Ideology of individualism
Personality	**Reproductive**	**Adaptive**	**Creative**

Tab. 2. *Ideology of company's behaviour on the market*

It should be noted that in the above-mentioned example in state corporation "Zaporizhtransformator" the corporate ideology, existing at that time, didn't perform its major function – to optimize the development of market entity. It didn't facilitate the formation of evolutionary mindset, on the contrary it artificially kept transformer constructors in reproductive mode, creating frustration of consciousness and panic. Over 90% of transformer constructors stated that they felt the pressure of reproductive ideology. As a result, every sixth respondent felt fear for the future. I provided this example only to prove the methodological value of the proposed matrix of market relations, as I did conduct new investigations.

The significance of this market research tool is that it may help to define the place of entity on the market and develop the competitive win strategy against it.

The coordinates of the object on the market are actual state of its spiritual and material components. When assessing the state of the enterprise on the market one should focus on the quality assessment of its major product, as it comprises the combination of internal and external activities of goods producer. In this case the product can be viewed as an integrative function of the market unit, which is supplied by the company into the external environment in the form of goods and services.

The theoretical justification of the variational model of the combination of social relations showed that: 1) the mode of declining development corresponds to the traditional products, manufactured goods producer for a long period of time; 2) the mode of imposed development of medium intensity corresponds to a little bit modernized product, without obvious changes in its quality characteristics; 3) the mode of imposed risk – faulty product; 4) the mode of natural development of medium intensity – product, improved in its major quality parameters; 5) the mode of evolutionary development – substitute (interchangeable) product, which meets current customer's needs and is produced on the most efficient technology; 6) the mode of imposed development of high intensity – licensed product, produced with external assistance; 7) the mode of initiated risk – untimely product, which is a little too previous and therefore serves to meet the need, which has not actualized yet; 8) the mode of natural development of high intensity – promising product, which not only meets current needs, but also advances them; 9) the mode of co-evolutionary development – product, which develops needs and forms new rational customer's needs (Tab. 3).

Thus, we proposed all participants of market relations a unique methodological tool for assessing the state of modern market. The matrix of market relations is based on two coordinates: state of company's aggregate worker and state of society or market environment, in which company operates. The state of aggregate worker has three variants: 1) reproductive, 2) adaptive and 3) creative state. The state of society (market environment) has three variations: 1) society in static state, without progress; 2) society, which develops according to linear laws; 3) society, which develops unevenly, in an unpredictable way.

Uneven development of society	Taxon 3 Faulty products	Taxon 6 Licensed products	Taxon 9 Conceptual products
Linear development of society	Taxon 2 Modified products	Taxon 5 Substitute (interchangeable) product	Taxon 8 Stimulating products
Static society	Taxon 1 Traditional products (fast-moving consumer goods)	Taxon 4 Modernized products	Taxon 7 Futurological products
Personality	**Reproductive**	**Adaptive**	**Creative**

Tab. 3. *Company's position on the market is defined by Products' features (quality)*

We single out nine taxa, typical market segments, each of which has its specific climate, which requires specific behavior of goods producer in this segment. The company can find relevant taxon if it defines the correlation between its state and character of market environment, in which it operates. This means that if market analyst or management system of a particular company knows the qualitative characteristics of the above-mentioned modes of variational model of the combination of market relations, has state assessment methods of its subsystems, it will always efficiently define its place on the market of goods and services.

Having learnt the rules of movement in the system of market relations, they will always properly define their place on the market and correctly formulate their strategic goal, tactical and operative tasks, find rational ways of their accomplishment, i.e. find efficient methods of self-preservation and win the competition in conditions of market model of society development.

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Бех В. П., Бех Ю. В.

Універсальна модель сучасного ринку: соціологічний контекст

У статті проаналізовано сукупність суспільних відносин, що утворюють сучасний ринок. На основі введення у систему двох координатних векторів: а) стану особистості, що перебуває у репродуктивному, адаптивному і креативному станах, б) стану суспільства, що перебуває у стані стагнації, розвивається за лінійними законами або непередбачувано, створюється координатна сітка з 9 таксонів. Кожному сегментові ринку притаманний «свій клімат» і «свої вимоги» до поведінки фірми. Раціонально обґрунтований рух матричним полем дозволяє фірмам забезпечити виграш у конкурентній боротьбі і виживання.
Ключові слова: *ринок, особистість, суспільство, фірма, соціальний організм фірми, таксон, ринкові відносини, ідеологія, цінності.*

УДК 332.024
JEL Classification M13, R 11, R51

Jörn H. Block

RURAL ENTREPRENEURSHIP: BETWEEN START-UPS, HIDDEN CHAMPIONS AND FAMILY BUSINESSES[1]

The paper is focused on the role of entrepreneurship in rural areas. This topic is becoming more urgent in Germany nowadays in the context of contemporary tendencies based on accelerating economic development, rethinking of social issues, implementing sustainable development goals in everyday practices, and new political frameworks. The research is based on the hypothesis that rural regions are very diverse; nevertheless, these regions generally have lower start-up rates than urban regions. Conducting the research we clarified that the sector structure of start-ups in rural areas is less focused on high-tech and more on start-ups in the area of the "Green Economy". Venture capital-financed start-ups are rarely found in rural regions. The importance of Family Businesses and Hidden Champions is stronger in rural regions than in urban ones. There are large differences within the group of rural regions in terms of start-up activities and entrepreneurship in the form of Family Businesses and Hidden Champions.
We concluded that Champions in rural areas can be explained by the strengths of rural regions. There is often a special long-term relationship between rural regions and their companies. Regionally rooted Family Businesses and Hidden Champions value the region's solidarity with businesses as strength of rural regions.

[1] Gratitude for helpful comments to Rene Andres, Christian Fisch and Florian Hosseini in an earlier version of the manuscript.

Keywords: *rural entrepreneurship, start-up, hidden champions, family business, sustainable development, Germany.*

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1. Introduction

How strong is entrepreneurship in rural regions of Germany? How many start-ups are there in the rural areas? In which industries are they founded? To what extent do Family Businesses and Hidden Champions shape the rural regions in Germany? Where are technological companies based?

This article discusses the role of entrepreneurship in the rural regions. At first glance, the answer seems to be clear: Europe's new center for start-ups – especially in the digital, creative, IT and internet sectors – is Berlin. It is followed by Munich, Hamburg, Cologne and other large cities. Rural regions seem to be lagging behind in terms of entrepreneurship. Is that really the case? Or does a closer look lead to a more differentiated result?

At a second glance and with a closer look, the answer is no longer so clear. The question of the role of entrepreneurship in the rural areas is not a trivial one. Rural regions are very diverse. The Swabian Jura, for example, has little in common with rural regions in Mecklenburg-Western Pomerania. The concept of entrepreneurship is also diverse. In addition to start-ups, owner-managed medium-sized companies, Family Businesses and hidden champions can also be subsumed under the concept of entrepreneurship. Many successful Family Businesses are based in the rural regions of Germany, such as Würth (Künzelsau in Baden-Württemberg), Villeroy & Boch (Mettlach in Saarland), Kärcher (Winnenden in Baden-Württemberg) or Fissler (Idar-Oberstein in Rhineland-Pfalz). In the editor's volume "Blossoming Landscapes – Family Businesses and Their Region" (May and Ohle, 2014), Family Businesses are described as "regionally rooted, globally successful" (Bartels, 2014) and "strong in the province, but by no means provincial"" (Zeidler, 2014). Hidden champions, which are often Family Businesses, seem to be firmly rooted in the rural areas and have a special relationship with their home region. This perspective may be distorted, but compared to the current hype around Berlin, Munich and other large cities as locations for entrepreneurship, it is a completely different picture.

This short article attempts to organize the existing empiricism on the role of entrepreneurship in the rural areas and to summarize it in a meaningful way. It shows that the picture is very diverse and there is no clear answer to what extent entrepreneurship is more likely to be found in the rural areas or in the city. However, patterns can be seen as to which types of start-ups and which forms of entrepreneurship are more likely to be found in the rural areas and which are more likely to be found in the city. Following the presentation of the empirical findings, these are discussed based on the strengths and weaknesses of rural regions.

2. Empirical Evidence of Entrepreneurship and Innovation in the Rural Areas

This section summarizes existing rural entrepreneurship and innovation. The summary is divided into (1) Start-up Activities, (2) Locations of High-Tech Companies and (3) Locations of Family Businesses and Hidden Champions.

Start-Up Activities

The NUI ranking (NUI = New Entrepreneurship Initiative) published by the IfM Bonn, measures the number of business start-ups, new firms, acquisitions and immigration of commercial enterprises as well as recordings of a commercial part-time job per region and uses this to create a ranking. In 2013, the highest values of the NUI indicator were recorded in Offenbach, Munich and Wiesbaden. In the bottom there are almost all rural regions, especially from Eastern Germany. However, some districts, especially from Upper Bavaria, are also in the front ranks. Generally there is an advantage of the urban regions, but also a great heterogeneity within the group of rural regions.[2] Foundation Atlas employment data from the Federal Employment Agency (Brixy and Fritsch, 2002) sometimes comes to different results, which are generally more positive for rural regions. This is due to the procedure for creating the

[2] For results of the 2013 NUI region ranking cf. http://www.ifm-bonn.org/fileadmin/data/redaktion/statistik/gruendungen-und-unternehmensschliessungen/dokumente/NUI%20Regionenranking%202013.pdf (accessed on 20.06.2015).

data set. So for example start-ups are also recorded in Foundation Atlas.[33] Rural regions can make up ground here through start-ups in sectors such as tourism and hospitality. But the Foundation Atlas also shows great differences within the group of rural regions. In particular, rural regions close to major cities such as Berlin, Hamburg, Frankfurt and Munich have high start-up rates.

However, start-up activities differ not only in their amount between urban and rural regions. There are also clear differences in the type of foundations. In comparison to urban regions, rural regions are more characterized by start-ups in the area of the green economy. The share of "*green start-ups*" in all start-ups is highest in the more rural states of Mecklenburg-Western Pomerania (22%), Brandenburg (21%) and Rhineland-Palatinate (20%) and in cities such as Hamburg (14%) and Berlin (12%) and Bremen (10%) are comparatively low (Weiß and Fichter, 2015). This is mainly due to the great importance of start-ups in the area of *renewable energy* in rural regions. The share of start-ups in this area of all start-ups is highest in Saxony-Anhalt (15%), Mecklenburg-West Pomerania (14%) and Brandenburg (14%) and lowest in Berlin (6%) and North Rhine-Westphalia (5th %).

A completely different picture emerges when considering start-ups in the *High-Tech area*. Of the approximately 1,400 venture capital-financed high-tech companies in the spotfolio.com database, 234 companies are based in postcode region 10 (Berlin city center) and 77 companies are located in postcode region 80 (Munich Mitte-Nordwest). Cologne, Hamburg and Dresden follow after. A similar picture emerges with ICT start-ups. Five regions around the metropolitan areas of Berlin, Hamburg, Munich, Rhine/Main and Cologne/Düsseldorf have a particularly high start-up intensity in the ITC area. Another seven regions with an above-average high start-up intensity in the ICT area are the Rhine/Neckar area, Stuttgart area, Nuremberg, Dresden, Hanover, Bremen and Koblenz area (Müller et al., 2012).

Locations of German High-Tech Companies

The German High-Tech Atlas (Spotfolio GmbH, 2015) records the postcode of the headquarters of high-tech companies in Germany[4]. The result is a ranking of the postcode regions according to the number of companies in the high-tech sector. High-tech companies are companies from manufacturing industries with an R&D intensity above 2.5% and technology-intensive services and software.

The regions with the *corporations* in the high-tech sector (> 250 employees)[5] are the postcode region 40 (Düsseldorf, Hilden, Mettmann, Ratingen), postcode region 63 (Aschaffenburg, Hanau, Offenbach am Main, Miltenberg) and postcode region 85 (Munich region, Ingolstadt, Dachau, Freising, Eichstätt). Places 5 and 6 with postcode region 74 (Heilbronn, Bietigheim-Bissingen, Schwäbisch Hall, Crailsheim) and postcode region 72 (Tübingen, Reutlingen, Sigmaringen, Freudenstadt, Balingen, Nürtingen) are two more rural regions. The picture is somewhat different for *medium-sized companies* (50-250 employees). Regions with the most high-tech companies in this area are postcode region 73 (Göppingen, Esslingen, Schwäbisch Gmünd, Aalen) and postcode region 72 (Tübingen, Reutlingen, Sigmaringen, Freudenstadt, Balingen, Nürtingen) - both more rural regions. The situation is also interesting for *middle companies* (10-50 employees) and for small companies (<10 employees). Here, the big cities and metropolitan regions have a clear advantage. Berlin, Hamburg, Munich and other large cities as well as metropolitan regions in Germany are in the top positions.

In summary, the picture is heterogeneous. Small and micro companies from high-tech sector have a tendency towards urban regions, while medium-sized companies have a tendency towards more rural regions, especially from Baden-Württemberg. Big companies have both urban and rural regions. However, almost without exception rural regions can be found at the bottom of the ranking. Indeed, some rural regions in Germany seem to be left behind in relation to high-tech companies.

Locations of Family Businesses and Hidden Champions

[3] Data of the Foundation Atlas can be downloaded here: http://www.uiw.uni-jena.de/index.php/research/gruendungsatlas (accessed on 20.06.2015).
[4] The German High-Tech Atlas can be viewed at the following Internet address: http://spotfolio.com/wp-content/uploads/2015/01/Deutscher-Hightech-Atlas-2015.pdf (accessed on 20.06.2015).
[5] In addition to the number of employees, German High-Tech Atlas also uses total assets and sales revenue to size.

Spiegel and Block (2013) assign locations of more than 3,000 medium-sized to big West German Family Businesses (operating turnover ≥ € 15 million) to their respective circles[6]. The highest absolute number of medium-sized to big Family Businesses can be found in the districts of Munich (126), Hamburg (91) and the Märkischer Kreis (60). Of the 20 districts with the highest absolute number of Family Businesses, nine are in rural regions (Märkischer Kreis, Esslingen, Gütersloh, Ludwigsburg, Rems-Murr Kreis, Ennepe-Ruhr Kreis, Soest, Herford and Böblingen). Regional priorities are North Rhine-Westphalia and Baden-Württemberg. When considering the relative share of family businesses in the total number of businesses in the respective district, the picture shifts further towards rural regions. The share of Family Businesses in the total number of businesses in the counties is on average around 30% and in the cities only around 20%.

Hidden Champions are medium-sized, globally operating, globally active companies. Simon (2007) uses three criteria to differentiate them from other companies: (1) Company is a leader in terms of market share (specifically: No. 1, 2 or 3 in the world market or No. 1 in Europe); (2) Company generally has sales of less than € 3 billion; (3) Company has a low level of public awareness. The criteria for identifying Hidden Champions do not include any family-related criteria such as ownership or management in family hands. Nevertheless, many Hidden Champions are family-owned and/or founder-owned (Simon, 2007). Rammer and Spielkamp (2015) estimate that there are more than 1,500 Hidden Champions in Germany. These companies are often run very entrepreneurially and are strongly geared towards growth in their respective markets. Many Hidden Champion have become “Big Champions” that no longer meet the size criteria of a Hidden Champion. Successful examples are Würth, SAP and Fresenius Medical Care. Many of these Hidden Champions are located in rural regions (Ermann et al., 2011), especially in rural regions of Baden-Württemberg, Bavaria and North Rhine-Westphalia.

3. Summary and Brief Discussion of Empirical Findings

To sum up, the empirical picture is as follows: rural regions generally have lower start-up rates than urban regions. The sector structure of start-ups in rural areas is less focused on high-tech and more on start-ups in the area of the “Green Economy”. Venture capital-financed start-ups are rarely found in rural regions. The importance of Family Businesses and Hidden Champions is stronger in rural regions than in urban ones. There are large differences within the group of rural regions in terms of start-up activities and entrepreneurship in the form of Family Businesses and Hidden Champions.

How can these differences be explained? Rural regions have disadvantages for high-tech companies: High-tech companies rely on proximity to universities, colleges and non-university research institutions for recruitment and use of knowledge spillovers. Here, rural regions are often at a disadvantage compared to urban regions. Venture capital companies are almost entirely based in the metropolitan regions of Germany. In rural areas there is no proximity to financing providers in the venture capital sector. Small proportion of start-ups in the digital, creative, IT and internet sectors in rural regions can be explained by the importance of the “creative class” for this type of start-up. Florida (2002) refers to workers who are involved in a creative process as a “creative class”. Workers in this class are mobile, young, intrinsically motivated and often live in cities. This phenomenon, which can be observed worldwide, favors start-ups in urban regions, especially in sectors where creativity is of great importance. The increased concentration of Family Businesses and Hidden Champions in the rural areas can be explained by the strengths of rural regions. There is often a special long-term relationship between rural regions and their companies. Regionally rooted Family Businesses and Hidden Champions value the region’s solidarity with businesses as a strength of rural regions. Another reason for the high concentration of Family Businesses in certain rural regions of North Rhine-Westphalia, Hesse, Baden-Württemberg and Bavaria is historical. In the period after the Second World War, many displaced persons from the Soviet-occupied areas settled in rural regions of Western Germany outside of the destroyed cities and founded companies there or continued to do so at this new location (Berghoff, 2006; Buenstorf and Guenther 2011).

[6] Family Businesses are defined as companies in which at least 25% of the ownership interest is held by one or more families.

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Йорн Х. Блок

Сільське підприємництво: стартапи, приховані чемпіони та родинні бізнеси

Стаття презентує результати дослідження у сфері підприємництва в сільській місцевості та його ролі в економічному житті країни. Ця тема набуває актуальності в Німеччині сьогодні в контексті сучасних тенденцій, що ґрунтуються на прискоренні економічного розвитку, переосмисленні соціальних питань, впровадженні цілей сталого розвитку в повсякденну діяльність та нових політичних тенденціях. Дослідження виходить з гіпотези, що сільські регіони є різноманітними, проте, як правило, ці регіони мають нижчу привабливість для стартапів, ніж міські. Нами було доведено, що галузева структура стартапів у сільській місцевості менш орієнтована на високотехнологічні ідеї та тяжіє до стартапів у сфері «зеленої економіки». Бізнес-ініціативи, що фінансуються венчурним капіталом, рідко зустрічаються в сільських регіонах. Водночас ми довели, що розвиток та підтримка сімейного бізнесу та прихованих чемпіонів повинні бути сильнішими у сільських регіонах, ніж у міських. У географії та економіці сільських регіонів існують великі відмінності щодо стартапової діяльності та підприємництва у формі сімейного бізнесу та прихованих чемпіонів.

Зроблено висновок, що наявність та розвиток чемпіонів у сільській місцевості можна пояснити сильними сторонами сільських регіонів; утім часто існують особливі довгострокові відносини між сільськими регіонами та їхніми компаніями. Сімейні підприємства та приховані чемпіони,

створені в регіонах, створюють основу для довгострокового розвитку, бізнес-зв'язок усіх територіальних одиниць, що підсилює конкурентоспроможність як окремих регіонів, так і країни в цілому.

Ключові слова: *сільське підприємництво, стартап, приховані чемпіони, сімейний бізнес, сталий розвиток, Німеччина.*

УДК 65.1:338.2
JEL Classification A14, J53, M12

Marshall K. Christensen
William P. Dobrenen

LEARNING AND LEADING: A SEARCH FOR CORRELATION

In the modern era all over the world options in higher education depend upon accepting certain premises: (i) leadership is essential in every profession and career field; (ii) everyone contributes to a healthy culture of leadership; (iii) all essential personal and social goals are achieved in the context of community; (iv) the principles and values advocated by servant leaders are vitally important; and (v) universities are the essential nurturing communities for authentic leaders.

Seconding the opinion of Larry Spears and Robert K. Greenleaf that leaders as a whole, and servant-leaders especially, are as essential to society as oxygen is to individuals, it is of vital importance to point out ten required qualities of a servant leader. The first of them is ***Listening*** *as an intentional act that involves respect for others, being beneficial both to the leader and the speaker.* ***Empathy*** *is the second quality, that is a learned skill, needed to understand, recognize, and accept others. The next one –* ***Healing****, is required for leader to practice forgiveness in order to preserve relationships.* ***Self-awareness*** *is based on the servant leader knowing self, especially one's core values, which is important for understanding situations from a holistic perspective. The fifth required quality is* ***Persuasion –*** *ability to convince rather than to coerce members of a team. The sixth –* ***Conceptual Thinking*** *– empowers servant leaders think conceptually, putting people and relationship at the top of their priorities. The seventh, closely related to the previous, is* ***Foresight*** *– a characteristic that enables the servant-leader to understand the lessons from the past, the realities of the present, and the likely consequences of a decision for the future. The next one –* ***Stewardship****, is sharply different from the greedy, power-oriented, controlling leader; its mission and its existence is linked with fulfilling the needs of others, and doing so in an ethical way. The ninth quality –* ***the Growth of People*** *– is based on the ability of the true servant leader to empower others, to seek and find people with a potential to lead even greater than his or her own, nurture their potential and then get out of the way. And the last one –* ***Building Community –*** *is connected with the people finding meaning in life, their purpose, and their calling in community. The role of the servant leader, therefore, is that of a creator of community.*

Inasmuch as effective leadership is vital to societal progress and personal well-being for people in every culture, educators must find new ways to help their students prepare for the future. If such tradition prevails in higher education, new degree programs in leadership, to our mind, should be added at trend-setting universities. The potential impact of higher education on future leaders is revolutionary.

Keywords: *higher education, nurturing communities for authentic leaders, servant leaders, growth of people, building community.*

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Leadership is as essential to society as oxygen is to individuals. Making the case that leadership training has, historically, been neglected in higher education is relatively easy. Why, then, have educational institutions paid scant attention to the preparation of leaders? Perhaps it is because we have *assumed* that good leaders have natural abilities and education is irrelevant to their success. The plethora of poor leaders in contemporary societies makes a strong case that it is time for educators to help prepare capable leaders. Therefore, we argue in this article that universities and educators must model a higher standard of leadership. The future depends upon healthy, effective, and different forms of leadership. Leaders are educated and trained by model educators, they are not born to lead.

The task of preparing leaders is not designated to one academic field. Societal needs for leadership are comprehensive. Every profession and all functions of society require effective leadership. Therefore, the premise of our case is that every field of academic endeavor must produce leaders – the social sciences, sciences, fine arts, humanities, political science, teacher education, literacy, business, ministry – all depend upon the constant inflow of effective and exceptional leaders.

The qualities of leaders who are prepared to meet the needs of society have often been found among young scholars whose education has a solid foundation. William Cronon, in his 1998 article, "'Only Connect . . .' The Goals of a Liberal Education," identifies ten essential qualities of liberally educated people.

> *Listening, reading, talking, writing, puzzle solving, truth seeking, seeing through other people's eyes, leading, working in a community – is finally about connecting. A liberal education is about gaining the power and the wisdom, the generosity and the freedom to connect. (1)*

In highlighting the importance of the "freedom to connect," Parker Palmer, best selling author and founder of the Center for Courage & Renewal, reflects on the meaning of community. Community is a gift that begins in the human heart. Community, he envisions, must be capacious, big enough to embrace everything. It is, he writes, "less garden and more crucible," where people "cultivate connectedness through contemplation." He confesses that community is where people deal with failure, suffering, and loss. That is where people find "comfort, encouragement, and support." (2)

The reality about community is a fundamental foundation for effective leadership. Palmer observes that "leadership for community is not exercised through power. . .. Leadership for community requires authority, a form of power that is freely granted to the leader by his or her followers." In explaining, he adds: "Authority to lead toward community can emerge from anyone in an organization – and it may be more likely to emerge from people who do not hold positional power." (Ibid.) The notion that anyone can become a leader has profound implications for educators.

The implications suggested by Cronon and Palmer make the case for the link between leadership and learning. They also open doors to everyone in community. Any member of any community has leadership potential. People are resourceful. Educated people, people who recognize and practice their role in community, are capable of leadership. As Palmer suggests, "leaders invite people in a community of mutual resourcefulness." Community, therefore, is where each person finds common purpose and shared values.

Shared values is the key to effective leadership. Larry Spears, author of numerous articles and books on leadership, builds on the definition of servant leadership proposed by Robert K. Greenleaf in his essay, *The Servant as Leader*. Greenleaf may be best known for his definition of servant leadership:

> *The servant-leader is servant first. It begins with the natural feeling that one wants to serve. Then conscious choice brings one to aspire to lead. The best test is: do those served grow as persons: do they, while being served, become healthier, wiser, freer, more autonomous, more likely themselves to become servants? And, what is the effect on the least privileged in society; will they benefit, or, at least, not be further deprived? (3)*

Based upon Greenleaf's definition of the servant leader, Spears extracted *Ten Characteristics of a Servant-Leader*.

Like Cronon, his list starts with **Listening**. Neither Cronon nor Spears see listening in a casual leadership skill. They describe listening as an intentional act that involves respect for others. "Listening, coupled with periods of reflection, is essential to the growth and well-being of the servant-leader," Spears concludes. Interestingly, he describes the act of listening as beneficial to the leader. A trained leader demonstrates respect and builds meaningful relationships. This kind of listening challenges human nature. He or she would rather hear and understand people in community than to speak or tell. All too often, leaders are known for giving commands rather than listening to members of their teams. Spears turns the listening equation around.

Empathy is the second quality Spears includes on his list. Authentic servant leaders strive to understand, recognize, and accept others. They may not accept certain behaviors among others in community, but they assume that each person has good intentions. The leader who assumes that his or her position in community justifies a “command and control” leadership style, often lacks empathy. Empathy is a learned skill. Spears notes “The most successful servant-leaders are those who have become skilled empathetic listeners.” We note that the skills of servant leadership are inter-related and learned.

Healing, is one of the most difficult qualities for leaders on Spears’ list because the servant leader must practice forgiveness in order to preserve and restore relationships. Relationships are the building blocks for teams and communities. Disagreements and even conflicts are inevitable. When feelings, pride, and anger come between people, healing becomes the leader’s priority. Knowing when and how to resolve conflicts is a learned behavior, a behavior based upon wisdom and awareness. Emotional intelligence is the sine qua non of healing in leadership.

Self-awareness is the handmaiden of healing because leadership emanates from the heart. The servant leader must know self, especially one’s core values. People look to the leader as one who is fair-minded and just, one who demonstrates integrity, and a person who practices universal values. Self-interest is dangerous, often negating core values in a leader. Therefore, effective leaders who are able to solve problems, as Cronon says of well-educated people, have the capacity to understand most situations from a holistic perspective.

Spears also notes that “the servant-leader is effective at building consensus within groups.” This talent requires the quality of **Persuasion.** Such leaders are able to convince rather than to compel or coerce members of a team. Persuasion is another learned ability. It derives from earned authority, granted by members of a community with whom the leader has demonstrated integrity and has earned trust.

For servant-leaders **Conceptual Thinking** replaces the short-term, operational, goal oriented thinking of traditional leaders. The vision of conceptual thinkers is comprehensive, embracing long-term possibilities and consequences for the team. This characteristic of a servant leader is, like each of the other qualities, a learned discipline. Business leaders who practice conceptual thinking understand that people, including staff and customers, are a higher priority than obvious, immediate goals such as market dominance or profit. Successful servant leaders think conceptually, putting people and relationship at the top of their priorities.

Foresight, Spears notes, is closely related to conceptual thinking. “Foresight is a characteristic that enables the servant-leader to understand the lessons from the past, the realities of the present, and the likely consequences of a decision for the future.” Foresight, therefore, requires experience and practice. In higher education, internships in a wide variety of career fields, has become the counter-balance to classroom instruction. Educators who model leadership want their students to gain experience that translates into foresight.

Stewardship, the eighth characteristic on Spears’ servant-leader list, is sharply different from the greedy, power-oriented, controlling leader. A leader who is committed to stewardship sees the purpose of the enterprise, whether business or service, in terms of the greater good of society. Its mission and its existence is linked with fulfilling the needs of others, and doing so in an ethical way.

The Growth of People is truly reflected in the educator/servant leader commitment. Outstanding teachers almost always find their greatest satisfaction in the accomplishments of their students. M. Scott Peck, author of *A World Waiting to Be Born: Civility Rediscovered,* describes this kind of leader in the following statement:

> *The one mark, above all else, of the true servant leader is that she/he empowers others. The first duty of the civil manager is to train successors . . . not a successor, but as many successors as*

> *possible as quickly as possible. Use your power to seek and find people with a potential to lead even greater than your own, nurture their potential with all you've got, and then get out of the way. (4)*

Spears concurs: "The servant-leader is deeply committed to the growth of each and every individual within his or her organization.

Finally, in Spears' list of qualities, he comes to **Building Community.** People find meaning in life, their purpose, and their calling in community. The role of the servant leader, therefore, is that of a creator of community. Once again Scott Peck helps us see the relationship between individuals and community: "People are yearning for meaning in their lives and I think they have a sense that in order to find meaning they have to find authenticity, reality, connection, and relationship. And, so, they are yearning for community so that they can get these things." (5)

Comments and conclusions by social critics such as Cronon, Spears, Greenleaf, and Peck validate the need to reaffirm attention to the link between learning and leading in higher education.

Inasmuch as effective leadership is vital to societal progress and personal well-being for people in every culture, educators must find new ways to help their students prepare for the future. Options in higher education depend upon accepting certain premises. First, that leadership is essential in every profession and career field. Second, that everyone contributes to a healthy culture of leadership. Third, all essential personal and social goals are achieved in the context of community. Fourth, the principles and values advocated by servant leaders are vitally important. And fifth, that universities are the essential nurturing communities for authentic leaders.

The potential impact of higher education on future leaders is revolutionary, beyond calculation.

If tradition prevails in higher education, new degree programs in leadership will be added at prestigious, trend-setting universities. The problem in adding academic degrees to the curriculum is that its scope is too narrow. We are advocating a transformation from common leadership to rare leadership. Rare leadership in learning communities is inclusive.

Rare Leadership, by Marcus Warner and Jim Wilder, provides a brilliant and persuasive roadmap for this transformation. In their groundbreaking analysis of brain function and leadership development, the authors introduce the connection between EQ and IQ. They find that healthy leaders practice four uncommon habits. They consistently remain relational, they act like who they really are, they exude joy to others, and they endure hardship. (6) This kind of leadership is, indeed, rare because it is based upon spiritual as well as emotional maturity.

Lest we imagine that servant leadership and rare leadership have limited application in the real world, *Joy at Work: A Revolutionary Approach to Fun on the Job* by Dennis W. Bakki, describes practical applications of the inherent principles in the amazing corporate growth of AES, an international giant in energy systems. (7) His case begs the question, why not apply these principles in other communities?

In keeping with the principles of a foundation in what it means to be liberally educated as well as skilled in the practices of a healthy leadership community, based upon servant leadership, we advocate a comprehensive approach in international institutions of higher education.

International universities should assure students that their personal development as future leaders is the university's priority, as stated in the university's mission.

In research, advocacy and training, university centers of servant leadership development, serving the whole learning community, should become the heart and soul the university itself.

When university faculty and staff model servant leadership practices in all relationships with students, higher education will then reflect the correlation between learning and leading.

The spirit of leadership in communities of learning will then shine with the hope-filled ideals penned in the poem, *For A Leader,* by John O'Donohue:

May you have the grace and wisdom
To act kindly, learning
To distinguish between what is

Personal and what is not.

May you be hospitable to criticism.

May you never put yourself at the center of things.

May you work on yourself
Building up and refining the ways of your mind.

May those who work for you know
You see and respect them.

May you learn to cultivate the art of presence
In order to engage with those who meet you.

When someone fails, or disappoints you,
May the graciousness with which you engage
Be their stairway to renewal and refinement.

May you treasure the gifts of the mind
Through reading and creative thinking
So that you continue as a servant of the frontier

Where the new will draw its enrichment from the old
And you never become a functionary.

May you know the wisdom of deep listening,
The healing of wholesome words,
The encouragement of the appreciative gaze,
The decorum of held dignity,
The springtime edge of the bleak question.

May you have a mind that loves frontiers
So that you can evoke the bright fields
That lie beyond the view of the regular eye.
May you have good friends
To mirror your blind spots.

May leadership be for you
A true adventure of growth. (8)

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Маршал К. Крістенсен, Вільям П. Добренен

Навчання та лідерство: пошук кореляції

На сучасному етапі в усьому світі факультативні послуги закладів вищої освіти спираються на сприйняття певних передумов: (i) лідерство є важливим для кожної професії та у кожній сфері діяльності; (ii) кожен має сприяти культурі лідерства; (iii) всі важливі особисті та соціальні цілі досягаються в контексті спільноти; (iv) принципи та цінності, закладені в ідею лідерства як служіння, є життєво важливими; (v) університети є основним центрами виховання справжніх лідерів.

*Підтримуючи думки Ларрі Спірса та Роберта К. Грінліфа про те, що лідери загалом, а особливо лідери-опікуни, є такими ж важливими для суспільства, як і кисень для людей, важливо вказати на десять необхідних якостей лідера-опікуна. Перша з них – це **Вислуховування** як свідома діяльність, яка базується на повазі до інших, і приносить користь як лідеру, так і тому, кого слухають. **Емпатія** – це друга якість, набута навичка, необхідна для розуміння, визнання та сприйняття інших. Наступна – **Зцілення**, необхідне лідеру для того, щоб вибачати інших, підтримувати стосунки. **Самосвідомість** ґрунтується на тому, що лідер-опікун знає себе, власні основні цінності, що є важливим для розуміння ситуації в цілому. П'ята необхідна якість – **Здатність переконувати** – спроможність переконувати, а не примушувати членів команди. Шоста – **Концептуальне мислення** – дає змогу лідерам-опікунам мислити концептуально, обираючи людей та стосунки як свої пріоритети. Сьомою, тісно пов'язаною з попередньою, є **Передбачення** – характеристика, яка дає можливість лідеру-опікуну зрозуміти уроки минулого, реалії сьогодення та ймовірні наслідки рішення. Наступна – **Відповідальне керівництво**, різко виокремлює лідера-опікуна від жадібного, орієнтованого на владу, усе контролюючого лідера; його місія та його існування спрямовані на задоволенням потреб інших людей. Дев'ята якість – **Зростання особистості** – обумовлюється здатністю справжнього лідера-опікуна надавати повноваження іншим, шукати та знаходити людей з потенціалом лідерства навіть більшим, ніж його власне, розвивати цей потенціал, а потім звільняти їм дорогу. І остання – **Розбудова спільноти** – пов'язана з тим, що люди знаходять сенс у житті, своє призначення та покликання лише у спільноті. Отже, роль лідера-опікуна – це роль творця спільноти.*

Оскільки ефективне лідерство є життєво важливим для суспільного прогресу та особистого добробуту людини у кожній культурі, педагоги повинні знайти нові шляхи допомоги учням підготуватися до майбутнього. Якщо така традиція домінуватиме у вищій освіті, то, на нашу думку, у провідних університетів слід запроваджувати нові програми з лідерства. Потенційний вплив вищої освіти на майбутніх лідерів є революційним.

Ключові слова: *вища освіта, центр виховання справжніх лідерів,* servant leaders*, зростання особистості, розбудова спільноти.*

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Peter Debbins

SECURING UKRAINE THROUGH CYBER FINANCIAL CRIMES MITIGATION

This article posits that the first approach to develop a culture of Cyber and Information Technology (IT) for Ukraine's overall economic and strategic security should begin with the development and implementation of Cyber Financial Crimes Mitigation training for the senior managers and executives of Ukrainian enterprises. Because Cyber Financial Crimes have the most direct impact to that group and they have the means to address it, they are the group who can impart a culture of IT and Cyber Security to Ukrainian society and leadership.
Keywords: *Cyber and Information Technology; Cyber Financial Crimes; Cyber Security; economic and strategic security.*

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Framing the Question

As the world completes "The Industrial Revolution 4.0" in which nearly every aspect of human existence has been digitized, the field of Cyber Security is now so broad that attempting to form a unified approached to all threats is rendered impossible. Instead, when looking at the problem, or rather the question of how does Ukraine improve her Cyber Security to protect her economic and strategic well-being, we should look at one specific area that will have great impact, which is the mitigation of Cyber Financial Crimes. We use the term "Mitigation" and not "Defeat" because in the area of law enforcement, crimes can only be battled and their impacts reduced, but never defeated.

At the time of this article's writing (April 14, 2020), the attention of the whole world is focused on mitigating the impact of the COVID-19 pandemic. However, the plague of Cyber Financial Crimes continues unabated. During this time of self-quarantine cyber-security stakeholders can still look at how to mitigate Cyber Financial Crimes which are adversely impacting Ukraine's security and development. So, when the COVID-19 pestilence abates, Ukrainian cyber-security stakeholders can begin to execute various solutions.

- What are Cyber Financial Crimes?
- How are they unique from the other Cyber Security disciplines?
- Do all cyber-attacks inflict a financial cost?

This article will define Cyber Financial Crimes as the use of cyber and information technology (IT) means to manipulate or alter an enterprise's **accounting** and **auditing** processes to inflict financial loss on the enterprise and/or its customers.

This clear distinction is critical, so cyber-security stakeholders focus on how to implement cyber-security disciplines on the areas of accounting and auditing. This is important because current approaches to Cyber and IT Security generally separate the disciplines of Cyber Security from Accounting and Auditing.

Current Approach

According to most estimates, the world is spending close to $250 billion per year on Cyber Security. However, that number doesn't encompass all the resources and time spent on Cyber Security, such as the increased cost of hardware and software to ensure security, and then the training and practices for workforces. Taking those factors into account raises the estimated cost of cyber security to close to $1 trillion (USD), roughly 1% of the world's annual income [1].

With all this spending what are the results? According to John Strand, who recently publish a book advocating Offensive Countermeasures (aka "Hack Back"), he states that

> "*When we objectively look at information security today, it is easy to see that many of the various techniques we use for defense fall somewhere between not working and barely working at all*." [1]

As a result, organizations and enterprises continue to suffer enormous financial losses. The cost in financial terms (not counting reputational, morale, degraded performance, and future impacts) for the world economy is close to an additional 1% of its annual income [2].

The United States is by far most advance in cyber security, due to its long-standing IT security culture, driven and fostered by its robust IT commercial sector which started in 1844 with the first commercial electric telegraph. So, it should be a model for the world. However, surveys of the thousands of professional training programs and academic institutions will show little in fusing the disciplines of Cyber Security, Accounting, and Auditing [3]. Instead of fusion in cyber-crime investigations, there are clear distinctions between Anti-Money Laundering (AML), cyber-attacks, and accounting. When we look at Europe, we likewise see a lack of fusion among the disciplines. And, in comparison to the US, Europe can be regarded as five years behind whatever the US is doing in the field of cybersecurity [4].

Ukraine's Cyber Security Landscape

Ukraine can be described as a neophyte when it comes to incorporating cyber security into her culture and as a Core Business Function. There are several reasons for this situation:

- First, Ukraine still does not have IT culture that permeates most aspects of society (something which the US had since the early 1990s).
- Second, given its weaker economic standing, less resources are available to the digitization of the society and economic activities.
- And third, there is a lack of knowledge and understanding of the how Cyber Financial Crimes are occurring.

Yet, the reporting about Cyber Security in Ukraine looks at two different aspects: The first is Ukraine's cyber vulnerability in geopolitical competition, and the second is Ukraine as a safe haven for cyber criminals.

When we look at those two aspects, we should see them as the **result** of a weak cyber security culture, and less as a **cause**. The 2015 Attack of the Electrical Grid was result of poor organizational practices which allowed a Microsoft Excel document to be the payload of the malware. The relative ease of cyber criminals to operate is partly a lack of secure licit IT and Cyber Security employment for highly skilled professionals and partly a lack of societal understanding of what constitutes illicit behavior.

Addressing the issues facing Ukraine's cyber security may seem too daunting to resolve; however, there is an opportunity to conduct a **targeted** approach in one area, Cyber Financial Crimes. This can have a multiplier effect on Ukraine's IT security culture and overall national security and economic well-being. It has the added feature that Ukraine could emerge as a leader in the undeveloped discipline of global Cyber Security.

Ukraine's Potential

Looking at the impact of Cyber Financial Crimes, Ukraine has a unique potential, primarily because it stands out as being considerably behind other nations in using advanced techniques in combating fraud [5]. In their ***Global Economic Crime and Fraud Survey 2018: Ukrainian findings: Pulling fraud out of the shadows***, the international auditing and accounting consulting firm, PwC (PricewaterhouseCooper) details the large potential for improvement for Ukraine. When looking at their survey result (see Figure 1), not only would Ukraine gain the most by bringing in best practices, but Ukraine would also develop unique approaches and expertise as she closes the gap. Ukraine would be learning and developing cyber tools to mitigate financial crimes.

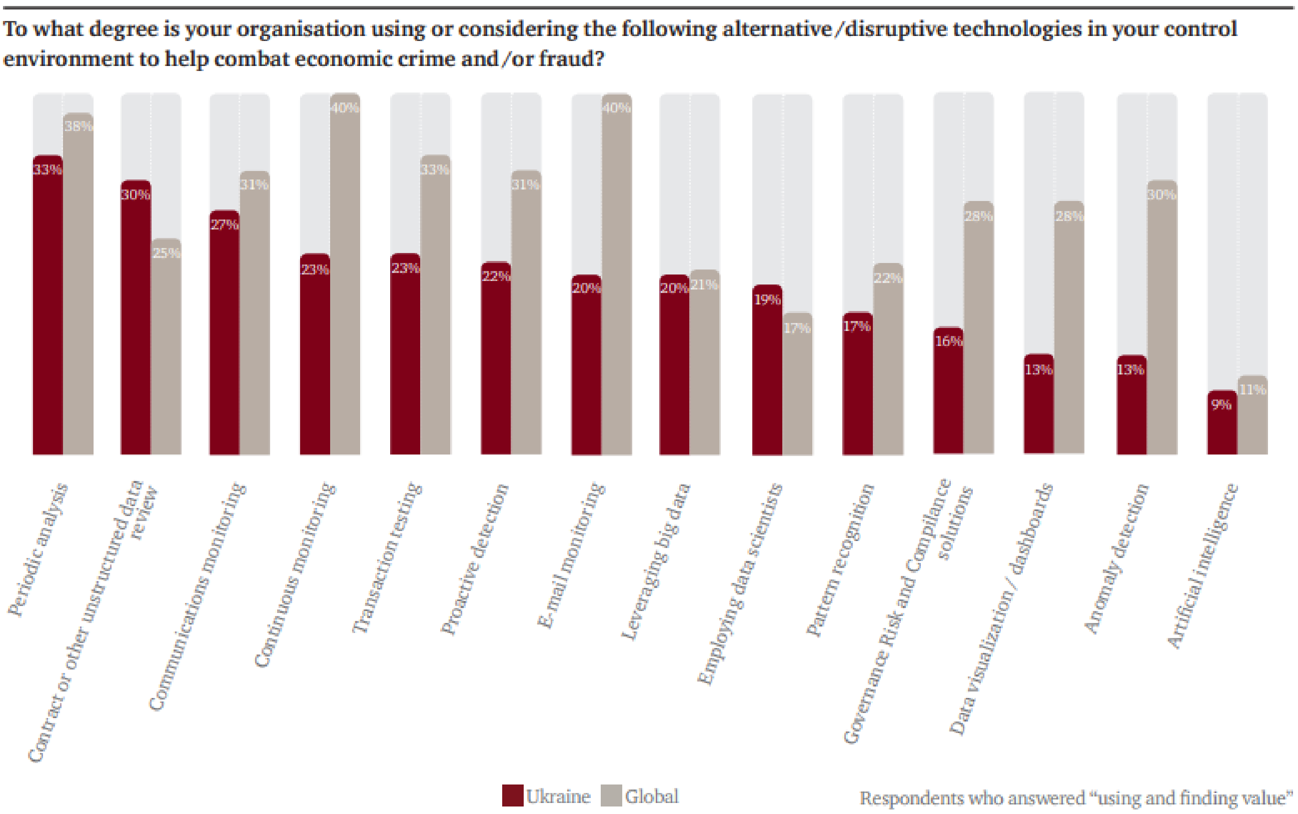

Fig. 1. *PwC 2018 Survey Results*

However, let us look at the reality of Ukraine's deficiencies. Her enterprises are victims of financial crimes that could have been mitigated by standard and advance cyber tools and means. And it is only worsening, in the 2018 year report, 48% of respondents in Ukraine said their organizations had suffered from fraud in the last two years, up from 43% in 2016 [6]. These tools could mitigate bribery and corruption which impacted 73% of Ukrainian organizations per the report. Effective Cyber Financial Crimes training and practicing can mitigate the other top four reported economic crimes:

- asset misappropriation,
- procurement fraud,
- human resources (HR) fraud, and
- cybercrime (monetary and intellectual theft, disruptions, and data loss).

And even with the losses and ubiquitous coverage of cyber-crimes, only 1 in 3 organizations in Ukraine have a cyber security program [7]. In contract, nearly every US enterprise has a cyber security program.

These financial crimes have an enormous cost for an emerging economy. An American firm can weather a loss of $100,000 (the average annual cost of an employee), but that amount would be devastating for a Ukrainian firm. Of the Ukrainian companies surveyed by PwC in 2018, 12% had losses between 1 and 50 million dollars US (see Figure 2). And not just monetary losses, but these firms faced additional costs in reputation, brand strength, business relations, and relations with regulators. Most disheartening is the damage on employee morale and productivity.

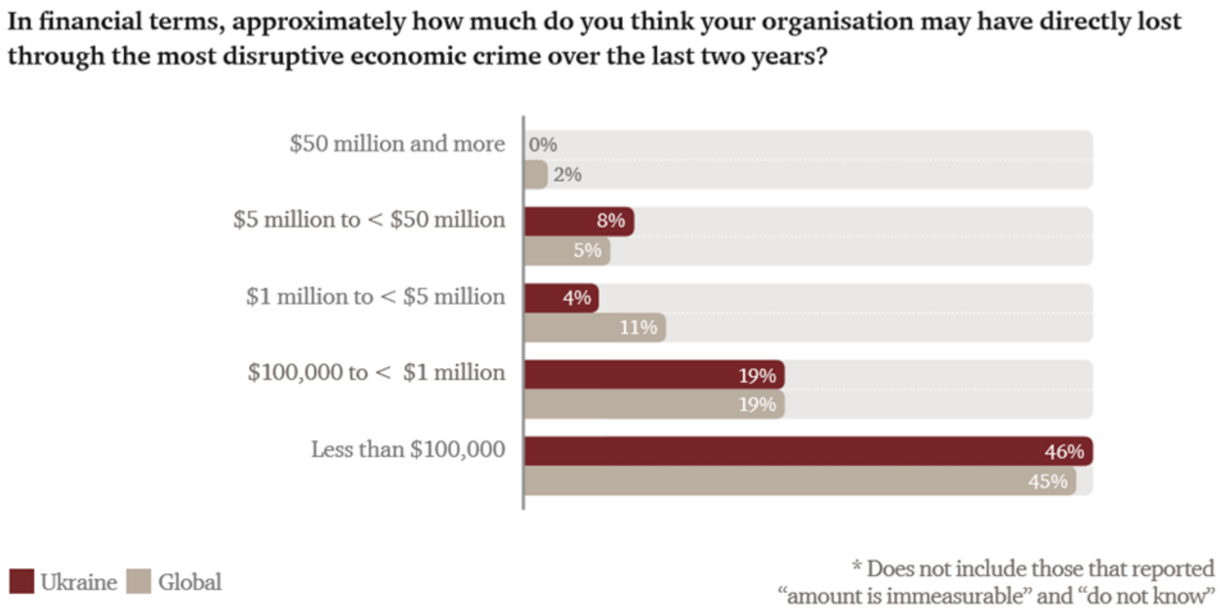

Fig. 2. *PwC 2018 Survey Results*

> *Mitigating Cyber Financial Crimes would help address Ukrainian enterprises' biggest weakness to fraud: the third parties with whom the enterprises have regular and profitable relationships, the agents, vendors, and customers.*

A certain degree of mutual trust is expected; however, this trust cannot be verified nor theft detected because a comprehensive approach to accounting and auditing, to utilizing cyber tools are not known or employed. When used these approaches can protect an enterprise. Per the survey, 49% of Ukrainian enterprises reported that technology tools enable them to carry out real-time monitoring and 51% stated it provided them with actionable insights. We must ask,

What is causing 50% of the other firms not to use them or not achieve any benefits?

What is to be done?

A preponderance of articles written on the topic of Cyber Financial Crimes in Ukraine (or elsewhere for that matter) will often recommend that the government take the lead on providing cyber security. While at the same time, these articles bemoan the fact that bifurcated government agencies generally do not cooperate. Even agencies in open, accountable governments in Europe and the United States will not share information yet will swiftly pass blame to other agencies for failures. We must accept this as the nature of any government organization, and we must look to develop a new way to transform the cyber security environment. If we look at past societal changes, they generally start with key influencers, a small percentage of the population who are the senior managerial class, who drive change and can deliver transformation of a society's knowledge, skills, and attitudes (KSAs). Transforming Ukraine into an IT security-conscious culture (similar to the US) and conducive to discouraging cybercrime will require a targeted and incremental approach.

If we look at the case of the forces that caused the Soviet Union to collapse, the biggest drivers of Perestroika, Glasnost, and the eventual dissolution of the USSR, were not the impoverished classes (the overwhelming majority) nor the elites of the Politburo and upper echelons of the Party. Rather, the drivers were the middle and upper managerial classes who had the most contact with their counterparts in the liberal, capitalist societies. They insisted on the change, having more to gain by change than by maintaining the status-quo [8].

A "top-down" approach is not effective, since top management is rotated out via elections, personnel turnover, bureaucratic obscuration, and the occasional revolution. A "bottom-up" approach for extensive topic such as cyber security is not likely to succeed. Transformation of KSAs one person at time is simply too slow in the rapidly changing cyber-security environment. Often the general populace, as seen with social media campaigns, is often misled by false information and rumors, or ineffective feel-good fad and trends.

A “middle-out” approach is the most effective way to transform societal KSAs.

- First, the middle and upper managers are the people who have the positions and authorities to implement cyber-security practices.
- Second, they have the competence, knowledge, and experience to assess the value and weigh the costs.
- Third, they have influence on their workforce cadre, who are the majority of society, and on their superiors, the country’s leaders, who create the laws and the frameworks to ensure cyber security.

Why address Cyber Financial Crimes as the first topic of many in cyber security?

Because Cyber Financial Crimes have the most direct impact to Ukraine’s senior managers and executives. They have the means to address it. They are the group who can impart a culture of IT and Cyber Security to Ukrainian society and leaders. Cyber security is *terra incognito* for many because it is presently a realm exclusive to IT security specialists -- the personnel who have the technical skills to protect, by technical means, an organization from cyber-attacks.

However, as illustrated by the PwC 2018 Report on Ukraine, there is little translation of cyber tools and cyber security from a technical realm to one that managers and executives can apply to their financial realm. A Cyber Financial Crimes discipline would present senior managers and executives with the means to apply effective cyber tools and good cyber practices to ensure accounting (cash flow) and auditing (transparency).

Delivery

In our current world, what institutions can change the KSAs of the managerial class?

There are three key institutional change mechanisms:

- Higher Education (Universities and Colleges),
- Professional Training Institutes (such a SANS.org), and
- Professional Associations (Chambers of Commerce, PMI, ISSA - Information Systems Security Association).

Often professional societies operate training institutes [9]. As of 2015, there were 15 Ukrainian universities providing training in cyber security [10] and as of 2020 there is likely more working in some capacity. However, similar to the rest of the world, the current professional cyber-security training community emphasizes technical means. If that separation of disciplines continues, the managers and executives of Ukrainian enterprises will find it hard to establish a cyber- security culture.

Implement

Given the lack of fusion among the disciplines of Cyber Security, Accounting, and Auditing and an absence of training enterprises that could deliver it to Ukraine’s senior managers and executives, there is a unique opportunity to develop global center of excellence (COE) in Cyber Financial Crimes mitigation. This COE would bring in the key Ukrainian stakeholders: academia, government agencies and enterprises, commercial business enterprises, profession training organizations, and professional associations. This COE would also involve cyber-security stakeholders outside Ukraine as well.

The vision of such of COE should treat Cyber Financial Crimes as a study, and not as a science, taking the quote from Nassim Taleb’s 2007 bestseller, ***The Black Swan: The Impact of the Highly Improbable:***

> *Things that move (are dynamic) don’t seem to have experts. Simply, things that move, and therefore require knowledge, do not usually have experts, while things that don’t move seem to have some experts.*

This approach would engage senior managers and executives who lack either the confidence or expertise to engage the problems of Cyber Financial Crimes. The COE has the goal of providing the knowledge, methods, and protocols to its stakeholders so they **know** the questions to ask, **understand** the answers, and effectively **utilize** cyberspace to promote and protect their enterprises.

If Ukraine emerges as a leader in the study and mitigation of Cyber Financial Crimes, she has the unique opportunity to develop a global niche for its IT industry and professionals, enhance her economic growth, and strengthen her strategic security.

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Петер Деббінс

Захист України шляхом зменшення кібер-фінансових злочинів

У статті стверджується, що перший підхід до розвитку культури кібернетичних та інформаційних технологій (IT) для загальної економічної та стратегічної безпеки України повинен розпочатися з розробки та впровадження навчання з питань зменшення кібер-фінансових злочинів для вищих керівників та керівників українських підприємств. Оскільки кібер-фінансові злочини мають безпосередній вплив на цю групу, вони повинні мати засоби для її подолання і таке навчання зможе надавати необхідну культуру використання IT та кібербезпеки українському суспільству та її лідерам.

Ключові слова: *кібер та інформаційні технології; Кіберфінансові злочини; Кібербезпека; економічна та стратегічна безпека.*

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Maryna M. Dielini

RISK-MANAGEMENT IN PUBLIC AUTHORITIES: INTERNATIONAL ASPECT

This article examines examples of risk management at the governmental level. The author explored the developed countries of the world, namely the United Kingdom, Australia and Canada, where government risk management is represented sufficiently well. This made it possible to determine the directions for the development of risk management in Ukraine at the national level. Examples of world rankings are also provided to assess the reliability of cooperation with different countries around the world by their level of risk and in order to formulate their own risk management policy based on the results of the rating.

Keywords: *risk-management, public authorities, budget risk, enterprise risk management, risk management framework.*

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INTRODUCTION

The effectiveness of the activity of public authorities depends on many factors: competence of employees, political situation in the country, introduction of modern approaches in its activities, both managerial and informational. Among the many aspects of the activity of public administration can be distinguished risk management as a necessary challenge today. Every day we face the risk that may arise and responding to it will affect the result of the activity of public authorities. As the following study shows, in the developed countries of the world risk management in public authorities has been receiving a lot of attention: appropriate regulatory acts are being adopted, and a risk management system at the enterprise is being implemented in the activities of these bodies. At the level of international organizations, state risk assessment techniques are developed, which mainly assess the financial sector. Thus, we see the relevance of the study of risk management in public authorities, especially for Ukraine, as a country that has many challenges and is actively trying to take a prominent place on the economic world map.

LITERATURE REVIEW

A number of researchers analyzed risk management in public authorities (Stepura M., Kotina H., Sharyy V., Taran V., Kvasnytsya O.), focusing on the state of risk management in Ukraine, its main components and the international aspect of assessing the level of risk in different countries. However, certain aspects still need to be covered in this scientific research.

METHOD

The main research methods that have been used in this article are system analysis (considering risk management in public authorities as a system), generalization, statistical analysis, comparative analysis, extrapolation.

ANALYSIS

Among the external risks inherent in the activities of executive authorities, general economic risks hold a special place. In essence, they are, to a certain extent, the result of their activity. For example, the tax risk of the state is the possible reduction of budget revenues in the event of a change in tax policy or the magnitude of tax rates. That is why it is important for public risk management to take this factor into account in assessing risk situations and choosing the best solutions to minimize their impact on the activities of executive authorities in the financial sphere.

Particular attention needs to be paid to managing financial risks. Financial risks are interdependent with political ones and include the risks related to the purchasing power of money (inflation and deflationary, currency, liquidity risk); capital investment risks (investment risks, incl. the loss of profit, the risk of profitability loss, risk of direct financial losses).

Along with the financial risks that directly affect the activities of executive authorities, there are so-called state risks. The reasons for the state risks can be the instability of the state power, peculiarities of the state system and legislation, ineffective economic policy pursued by the government.

An important area of activity of the executive authorities is the introduction of the mechanism of public risk management in the financial sphere. The assessment of risk situations in the activities of the executive branch requires a systematic approach. It is essential that the risk should be calculated to the maximum permissible limit. The systematic approach in calculating risk includes the principles of eliminating recurrent errors and constantly adjusting the system of actions from the standpoint of maximizing profit. Just as a private-sector manager, a public servant (local government official), charged with performing public-sector risk management tasks, is called upon to provide additional opportunities to mitigate the sharp fluctuations in the market.

One of the most important areas of risk management at the state level is the financial sphere, especially the public sector (public goods and services that the private sector does not produce or produces in insufficient quantities). The main purpose of financial risk management of the public sector is to identify, evaluate and neutralize the impact of risks on the formation of incomes of financial relations entities at the macro level, subject to the maximum compliance with the requirements of national budget legislation (Stepura M., Kotina H.; Kvasnytsya O.).

Public finance risks are objectively conditioned by the specificities of the processes that take place here and are related, first of all, to the uncertainty, the presence of a large number of factors that directly or indirectly affect the state of public finances and the impact of which is difficult to predict (Sharyy V., Taran V.).

Public sector financial risk management is a specific type of managerial activity aimed at mitigating the impact of risks on the performance of the state as a whole. The extent and magnitude of risk can be realistically influenced through a financial mechanism that is implemented through the strategy, techniques, methods and instruments of public financial management (Stepura M., Kotina H.).

There are international financial risk assessment techniques available in international practice.

We will turn to the IMF Financial Sector Assessment Program (FSAP), launched in 1999. It is a comprehensive and in-depth assessment of the financial sector, the quality of the legal framework and the ability to manage and resolve financial crises. Based on their findings, the FSAP provides micro- and macro-character recommendations tailored to the country's specific circumstances. The methodology for assessing financial stability includes both quantitative and qualitative indicators (Financial sector assessment program).

We analyzed three countries, i.e. Poland, a country which has been a member of the EU since 2004 and which has a history very similar to that of Ukraine; Kuwait as one of the richest countries of the world with the biggest GDP per capita; and Australia, a developed country. According to FSAP, they have the following results in the area of risk assessment:

1. Poland. The latest valuation report (2019) noted that the Polish financial sector is mainly represented by the banking sector with a large share of state and foreign ownership (60% of the financial sector and 83% of the banking sector). Risk analysis in this case included testing the solvency and liquidity of commercial and cooperative banks, etc. On the basis of this, the IMF has offered basic recommendations: to pay attention to the weakness in medium-sized banks, including subsidiary banks; improve monitoring of currency liquidity risks; improve credit risk analysis data by collecting default probability, default loss data, etc. It should be noted that Poland's risk assessment consists of an assessment of external factors, such as global financial conditions, political and geopolitical uncertainties, less expected growth of developed economies and developing countries; and internal factors – internal political uncertainties. Rating Level – High and Medium.

2. Kuwait, 2019. Estimated by the threats and risks of Kuwait's economy, which is oil-dependent, Kuwait's financial risks, such as ordinary banking risks, are faced with the fact that banking operations may be otherwise interpreted by the Sharia, and then a religious risk will arise. The main source of risk for Kuwait's economy are oil prices, geopolitical tensions, and global financial events. Rating Level – High, Medium, Low.

3. Australia, 2019. The Australian banking sector is represented mainly by 4 major banks, which together account for 77% of total banking turnover. Despite the strengthening of the financial stability of the banking sector, according to this report, it is suggested that public authorities develop a recovery plan that will be included in the guidance on banking risk management. There is no risk table, which means that this country has the lowest level of risk.

Thus, we can see that among the abovementioned countries, Australia has the lowest risk level; although Kuwait is a rich country, its state risk depends too heavily on the fuel industry that underlies its economy.

Another important element is the developed system of fiscal risk management. The Fiscal Transparency Code (2007) is a key document in this. The IMF Budget Transparency Code (Code) is the international standard for disclosure of public finances.

Fiscal transparency – comprehensiveness, clarity, reliability, timeliness and timeliness of public reporting on the past, present and future state of public finances – is critical to effective fiscal governance and accountability. This helps governments to have a clear picture of their finances when making economic decisions, including the costs and benefits of policy changes and the potential risks to public finances. Greater fiscal transparency can also help build confidence in a country's fiscal plans and can help maintain market confidence and market perceptions of fiscal solvency. The Fiscal Policy Transparency Code and Evaluation are key elements of the IMF's ongoing efforts to strengthen fiscal surveillance, policy making and accountability among member countries (Fiscal transparency).

In this way, we have reviewed the main documents that assess the risks of countries that are important for shaping their policies and when making decisions with countries around the world.

At the same time, the most widely used models in the world are those based on peer review.

These are: BERI (Business Environment Risk Intelligence) model – offers quality analysis and forecast for 50 countries 3 times a year for 15 parameters. The model calculates political, operational risks, as well as remittance and repatriation factors. The BERI rating system allows comparisons between countries of the past, present and one- and five-year forecast periods.

Frost & Sullivan's WPRF (World Political Risk Forecasting) monthly reports on political and economic risk for 18 months in 80 countries.

Model II (International Investor) – publishes a credit rating of more than 116 countries.

ICRG (International Country Risk Guide) – offers a monthly rating of more than 100 countries on political and economic risks, which scores 22.

Control Risks Model – offers quarterly risk assessments in 70 countries (Stepura M., Kotina H.).

Thus, we have seen that there are quite a number of different systems and forms of risk assessment of countries, in general they are aimed at assessing the financial risk of a country that is associated with other risks of activity of public authorities.

Nowadays, in order to integrate risk management in the activity of public authorities, Enterprise Risk Management (ERM) is introduced. ERM includes emergency preparedness and response, business continuity planning and exercising, process improvement and training, risk reporting and monitoring, risk consciousness and organizational resiliency, risk appetite, risk identification, risk assessment and analysis, risk mitigation and controls.

ERM is a methodology designed to assist management in identifying and mitigating risks that adversely affect organizational goals. As for the US, in 2015 the Office of Management and Budget (OMB) of the USA issued circular A-123. According to this circular, federal agencies are obliged to implement ERM.

It is become a part of global trend to adopt on federal level the ERM and introduce it into activity of state and local authorities. According to the statistics 17 % of Canadian local governments have an ERM policy, as well as one third of New Zealand's and Australia's local authorities use ERM. (Enterprise Risk Management and the Public Sector). This means that on governmental level it become understood the importance of risk management and the necessity of its introduction and implementation in the public authorities activity.

There are identified three major ERM models, namely:

1. The Orange Book,

2. The Committee on Sponsoring Organizations (COSO)-ERM,
3. The International Standards Organization (ISO) 31000.2009.

They are differed by geography of theirs using, while the Orange book is used in the United Kingdom, COSO-ERM is mostly represented in South Africa and Tennessee and ISO 31000.2009 are common for governments of Australia, Canada and New Zealand. All these models cover risk management on enterprises but despite this can be provided to risk management on governmental level as the process of managing is typical and applicable for both structures: governmental or entrepreneurships. This process is represented in 7 common steps that are shown on figure 1.

Based on the Enterprise Risk Management and the Public Sector.

Fig. 1. *Common steps of Enterprise Risk Management*

As we can see, it is a typical approach to the implementation and use of ERM in the activity of public authorities. It makes no difference which model you use, while these steps show how to work with the risk.

Turning on to the international experience of the implementation of risk management in the activity of public authorities, we will examine three countries, that have great results in this experience, namely the United Kingdom, Canada and Australia. First, we will study the UK, where the National Risk Assessment (NRA) has been adopted as an annual process aimed at identifying the characteristics and comparing all major threats, threats of national importance that can have a significant impact in the UK over a five-year period. Led by the Civil Contingencies Secretariat of the Cabinet Office, it involves a large interagency process that allows to rank risks based on the likelihood of exposure to a “reasonable worst-case scenario”. The UK also adopted the Civil Circumstances Act, according to which the NRA is a fundamental basis for planning based on capabilities to support emergency preparedness and response at national and local levels. Approved by the Office of the Cabinet, the NRA permits risk management by assigning responsibility for managing each identified risk to one government department. Remaining partially confidential, the public version of the NRA becomes publicly available and serves as the primary reference for risk information and awareness across the country. The assessed risks cover 3 broad categories: natural phenomena, major accidents and malicious attacks. In addition to the National Risk Assessment it is established that local sustainability forums are responsible for local risk assessments. The central government provides risk assessment guidance, which is updated annually to allow the communities' public authorities to conduct their own Community Risk Assessment. This reflects the UK government's understanding of the importance of assessing risks and taking some action in this direction, which, unfortunately, we couldn't observe in Ukraine nowadays.

To cope with the changing risks and interdependent threats in the society, the central government is working to produce the NRA through extensive cooperative efforts. In view of the growing importance of raising awareness of risks, the national government also recognized the need for risk assessment for the population, which led to the publication of the National Risk Register in 2008. This was the first step in providing guidance on how people and businesses can better prepare for civilian emergencies (The UK's National Risk Assessment). Thus, we see that the UK government pays attention to the implementation of risk management in the activities of public authorities, understanding all the threats that may arise from unforeseen risks. In addition, the state is also taking action on entrepreneurship and the civilian population to warn them of the possibilities and threats of risk. The UK policy is aimed at comprehensively assessing the possibility of risks occurring and on the basis of their prevention and mitigation, while warning not only the authorities but also all stakeholders.

Moving on to the Australian government risk management, we should mark that there has been established the Commonwealth Risk Management Policy. The launch of the Commonwealth Risk Management Policy was announced on July 1, 2014. This policy supports the Public Governance, Performance and Accountability Act 2013 (PGPA Act), which requires accountable authorities to establish and maintain appropriate systems and internal controls for risk oversight and management.

One of the key ways of raising awareness of the risks in the Australian Government is the effective risk management training scheme called Comcover. Comcover offers a comprehensive risk management curriculum that includes one-on-one courses, online training and professional development programs for executives.

Comcover supports the achievement of greater transparency and accountability in the risk management of the Australian Government. In addition to the educational role of Comcover, it also awards for excellence in risk management to organizations that recognize public sector leadership in risk management.

The Risk Management Benchmarking Program is a key part of Comcover's risk management services designed to help fund members independently evaluate their risk management capabilities across the nine elements of the Commonwealth Risk Management Policy, using a risk maturity model (Benchmarking Program).

Comcover's risk management resources have been designed to help organizations effectively manage their risks. It includes best practice guides, case studies and access to risk management tools and advisory services. Comcover's risk management service can also provide advice and support to risk management organizations.

The purpose of the Commonwealth Risk Management Policy is to introduce risk management into the culture of Commonwealth entities, where a common understanding of risk leads to well-reasoned decisions.

The Commonwealth Risk Management Policy defines nine elements of this policy:

1. Establishment of a risk management policy;
2. Creation of the risk management framework;
3. Determination of responsibility for risk management;
4. Introduction of systematic risk management into business processes;
5. Development of a culture of positive risk;
6. Communication and consultation on risk;
7. Understanding and managing shared risk;

8. Maintaining risk management capability;

9. Review and continuous improvement of risk management (Commonwealth risk management policy).

The Commonwealth Risk Management Policy enables organizations to adapt existing risk management systems and practices to a level appropriate to the scale and nature of their risk profile. In this way, the government not only implements a risk management system in its operations, but also establishes a strong system in Australia's enterprises, that has a double effect: it reduces the level of risk for entrepreneurship, which has a positive impact on the economy of the country, and also reduces the burden on public authorities in the prevention of economic risks. The Australian Government focuses on perceiving risk not only as a threat, but also as an opportunity, giving a different perspective on the risk issue.

As for Canada, we can notice that its governance regime promotes flexibility, seeking opportunities, and focusing on results. An integral part of such a regime is the understanding and application of risk management principles and practices. Effective risk management practices allow federal government organizations to respond actively to change and uncertainty, using risk-based approaches and information to ensure better decision-making throughout the organization.

In Canada, there are two main governmental structures that are providing risk management: the Treasury Board and the Framework for the Management of Risk.

The Framework is a key policy instrument of the Treasury Board, which outlines a principles-based approach to risk management for all federal organizations. The Framework reaffirms the responsibility of the Deputy Chief Executive for the effective management of their organizations in all areas of work, including risk management, and outlines expectations for effective risk management practices (Risk Management). It should be noted that the principles of risk management in the Framework also apply to all Treasury Board policies and determine the role of the Treasury Board Secretariat in its role of governance, security and oversight.

The Framework guides organizations on how to manage risk effectively. Effective risk management in the federal government should support decision-making and priorities across the government, as well as the achievement of organizational goals and results while maintaining public confidence;

This principle encourages organizations to manage risk in such a way that it promotes a nationwide agenda. In general, risk management practices should allow identification of risk information across the organization that can be used to support government-level decision making, and should be flexible enough to evolve with changing government priorities.

The risk management approach adopted by the organization should also support internal decision-making, enabling organizations to identify and manage risks that are specific to their own goals and expected outcomes. Using risk-taking decision-making to meet federal and organizational goals can help maintain public confidence in federal governance of the public sector.

So we can observe that the Framework opted for regulating risk management on the federal level and entrepreneurship level, while Treasury Board's policy instruments should focus on risks associated with achieving federal governance objectives.

This principle encourages the Treasury Secretariat of Canada (TBS), as a central agency, to develop and update policy tools to include risk-based approaches. This means that political instruments must set expectations to encourage the work of the department, which minimizes threats to federal government goals and maximizes opportunities for improvement.

Treasury Board and TBS also have a role to play in enhancing risk management in federal departments and agencies. A key element of the role of the Treasury Board, as well as the role of TBS, is to promote better governance in the government through leadership, monitoring, analysis and oversight in accordance with the authority set out in the Financial Administration Law. To fulfill this role in risk management, the Treasury Board and TBS are responsible for providing guidance, tools and expertise to support departments and agencies in implementing a risk-based management approach. This role also includes taking a leadership role by sharing information and sharing best practices in risk management and risk-based approaches. TBS is also responsible for monitoring and evaluating the effectiveness of risk management in departments and agencies (Guide to integrated risk management).

Thus, we see that Canada's risk management system combines the systems of the two previous countries. They have a state body that analyzes, evaluates and makes predictions on the occurrence and prevention of risk (UK), as well as analyzes the effectiveness of implementing risk management in government, and has a state document that regulates risk management systems at the level of businesses that have the same effect as in Australia.

RESULTS AND DISCUSSION

Our research has shown that the introduction of risk management into the activities of public authorities is a widespread trend in the modern world, which is explained by many processes: the spread of internationalization, the development of globalization, the rise of terrorism, political wars and economic growth and crises. All of these affect the development of any country in the world. Public authorities are also at risk through these processes. There is a tendency in the world to introduce the enterprise risk management system into the activities of public authorities, which is based on the same principles as for the enterprise. The developed world (for example, the USA) has obliged the federal authorities to implement this system in their activities. The most extensive risk management experience at the government level is found in countries such as the United Kingdom, Australia, Canada, the United States, New Zealand, etc. Their policy is aimed not only at the introduction of ERM into the activities of the authorities, but also at the implementation of risk management systems in the activity of enterprises, which will significantly reduce the burden on the state as the level of risk becomes lower. However, the risk management systems are quite different in the countries concerned. The United Kingdom focuses its efforts on assessing the risks, the likelihood of their occurrence, and alerting all stakeholders, whether governmental, corporate or public. Australia pays great attention to the educational side of the process by conducting risk management education activities with government representatives, as well as obliging businesses to embed risk management systems in their operations. Canada combines the experience of the two countries. It should be noted that there is currently no system of risk management in public authorities in Ukraine, although there are many factors in favor of its implementation.

FUTURE RESEARCH

The subject of further research in this area will be the deepening of knowledge on the implementation of ERM in public authorities, as well as the application of world experience in Ukrainian realities. It is necessary to take into account the specifics of the Ukrainian economy, as well as the political situation in the development of risk management policy in the bodies of the Ukrainian state power, the high level of corruption of governmental structures, as well as the military situation in the country. The most appropriate for our realities is the combination of the three countries, i.e. Australia – the system of risk management education for public authorities; Canada – the obligation to implement a risk management system in enterprises; and the United Kingdom – the provision of specific functions to certain risk assessment ministries in the field, which is within their responsibility.

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Деліні М. М.

Ризик-менеджмент в публічному управлінні: міжнародний аспект

У цій статті розглядаються приклади управління ризиками на урядовому рівні. Було досліджено розвинені країни світу, а саме: Великобританія, Австралія та Канада, де управління ризиками уряду характеризується достатньо високим рівнем. Це дало змогу визначити напрями розвитку ризик-менеджменту на державному рівні в Україні. Наведено також приклади світових рейтингів, щоб оцінити надійність співпраці з різними країнами світу за рівнем їх ризику та сформулювати власну політику управління ризиками на основі результатів рейтингу.
Ключові слова: *управління ризиками, органи державної влади, бюджетний ризик, управління ризиками підприємства, система управління ризиками.*

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JEL classification K40, P37, P 48

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A GENERAL OVERVIEW OF THE MODERN LEGAL AID SYSTEM OF UKRAINE

The paper provides a general overview of the legal aid system of Ukraine as it is by the end of 2019. Particularly, it highlights main legislative framework, organisation structure of the legal aid system of Ukraine and the model of its operation. Statistical data on legal aid provided is recovered, which may be useful for future studies.
Keywords: *access to justice, legal aid, rule of law, Ukraine, justice.*

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Introduction

Legal aid is one of the most important instruments for ensuring that a person having legal problems has effective access to justice and ways to protect his or her interests in a lawful manner. The part it plays in ensuring all-encompassing and comprehensive rule of law is highlighted in a number of high-level international treaties, most importantly in the International Covenant on Civil and Political Rights (Article 14) and in the European Convention for the Protection of Human Rights and Fundamental Freedoms (Article 6). It is further solidified in the guidelines and recommendations of international organisations and the case-practice of the European Court on Human Rights.

Despite this, only a limited number of countries, even among the most developed, enjoy institutionally developed legal aid systems, as they are hard to create, build and effectively maintain for a long range of reasons, starting from the trivialities of budgeting and geographical accessibility, and ending with the problems of impartiality and quality management of legal services. In this context, the rise of extensive and highly institutionalised legal aid system in such a transitional country as Ukraine seems to be even more surprising. More surprising still, in the few years of its existence it is already considered by some experts to be one of the best ones out there and serves as a source of good practices – few jurisdictions share 85% client satisfaction level of governmental services, and, of course, it is unprecedented in Ukraine [1].

Nevertheless, as only several years have passed since its creation, its coverage in scientific literature is almost no-existent. This paper aims at highlighting the legislative and organisational frameworks of the legal aid system of Ukraine, exploring the intricacies of its functioning and reasons for its successful functioning since its creation till the date of the research.

It is important to note the following:

Usually, only legal aid schemes for criminal cases are considered mandatory for states, especially in Europe where their establishment is based on the Article 6 of the European Convention for the Protection of Human Rights and Fundamental Freedoms. Legal aid in civil cases is often neglected or left for the consideration of local governments and civil society. Nevertheless, in Ukraine the system of state-guaranteed legal aid covers them both and, unlike in Israel, where civil and criminal legal aid providers are separate entities, both kinds of aid are provided by a single institution.

Problem statement

The legal aid system of Ukraine has been created only recently, but expanded rapidly – the development process stared in 2012, and the bulk of current capacities was reached by 2016[2]. Therefore, it is yet to be comprehensively covered by the scientific community in its contemporary form; the sources that are available are mostly obsolete and do not reflect the current state of things.

In spite of this, Ukraine is considered a source of best practices in this sphere, as reflected by the large number of speakers at relevant high-level conferences, success of the First Kyiv International Legal Aid Conference, Ukrainian A2J School of Practice and, most importantly, inclusion of the representatives of the legal aid system of Ukraine to the European Committee on Legal Co-operation Drafting Group on Legal Aid, along with Austria, Belgium, Finland, France, Latvia, Lithuania, Portugal.

The abovementioned facts indicate the growing demand in the information about the Ukrainian legal aid system, and this paper will aim to cover it.

Presenting of the main material

There are two basic national legal acts that stipulate for the system of state-guaranteed legal aid in Ukraine: the Constitution of Ukraine (hereinafter – the Constitution) and the Law of Ukraine "On free legal aid" (hereinafter – the Law); legal aid is also mentioned in several codes, to ensure that it can be effectively implemented from the legal perspective.

Article 59 of the Constitution provides every citizen with the right to receive legal aid; Article 63, in turn, stipulates that an accused person has a right to a defence, while Article 129 identifies the right to a defence as one of the main principles underlying legal proceedings [3]. According to the Civil Procedure Code of Ukraine, litigants in civil cases have a right to free legal representation [4], while the Code of Administrative Procedure of Ukraine and the Code of Criminal Procedure of Ukraine similarly provide that persons before the courts have the right to free legal representation (defence) in the manner prescribed by law [5;6].

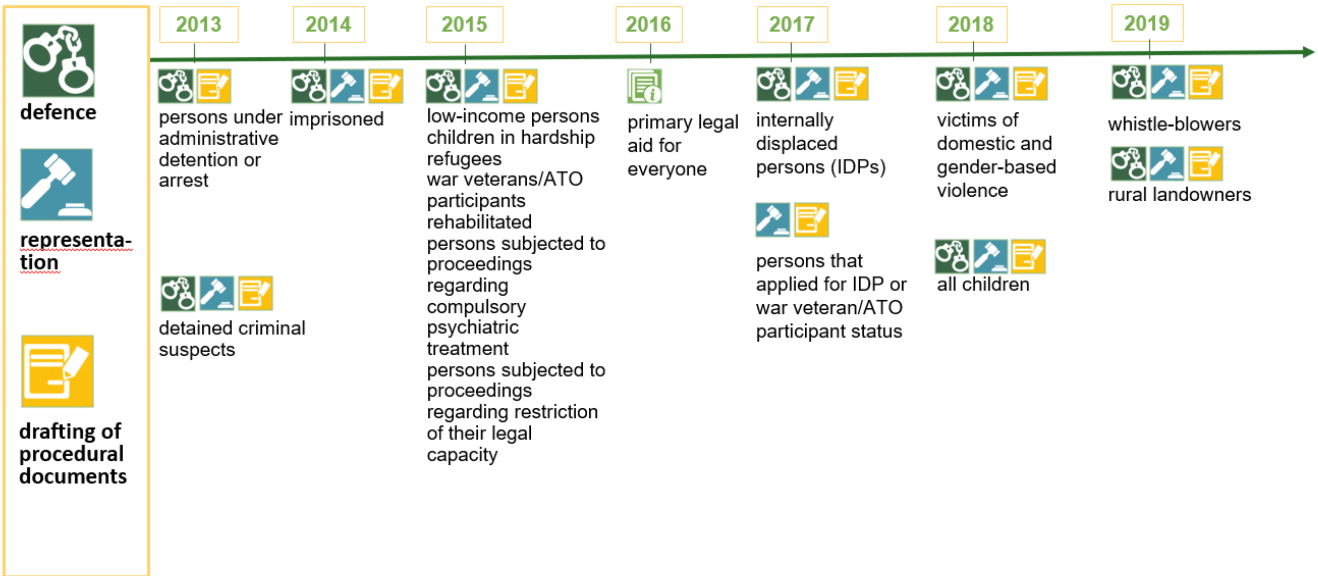
However, although the Constitution dates from 1996, it was not until 2011 that Ukraine adopted the Law [7]. The Law provides the basis for the functioning of the system, defining the main bodies involved, types of legal aid that may be provided, as well as eligible categories of people.

First of all, let us overview the types of legal aid that may be provided.

In Ukraine, primary and secondary legal aid is provided. Primary legal aid includes legal advice and information about their rights, including the right to challenge actions or omissions of government authorities, as well as the aid in the drafting of non-procedural documents. Secondary legal aid corresponds to the rights contained in Article 6(3)(c) of European Convention for the Protection of Human Rights and Fundamental Freedoms 14(3)(d) of the International Covenant on Civil and Political Rights – that is, the provision of defence and representation in judicial proceedings – as well as representation in other bodies, such as governmental institutions, and drafting procedural documents [7;8;9].

All persons under the jurisdiction of Ukraine are entitled to primary legal aid. Provision of secondary legal aid is, on the other hand, limited to a number of specific categories of people (timeline of introduction is presented at the Figure 1):

- persons whose average monthly income is lower than the two minimum subsistence levels as calculated in accordance with the Law of Ukraine “On the Minimum Subsistence Level”;
- children;
- internally displaced persons and persons who applied for such status;
- persons under administrative detention or arrest;
- criminal suspects arrested by investigative authorities;
- imprisoned;
- persons in respect of which a special pre-trial investigation or a special judicial proceeding is carried out;
- refugees, as well as stateless persons and foreign citizens detained for identification and deportation;
- war veterans and those, who applied for such status, persons with special merits, those who have rendered special labour services to the country, and victims of Nazi persecution;
- stateless persons and foreign citizens who are entitled to legal aid in accordance with Ukraine’s international agreements.
- persons who are the subject of mandatory psychiatric care or civil incapacitation proceedings;
- persons rehabilitated in accordance with Ukrainian legislation;
- victims of domestic and gender-based violence;
- whistle-blowers;
- rural landowners [7].

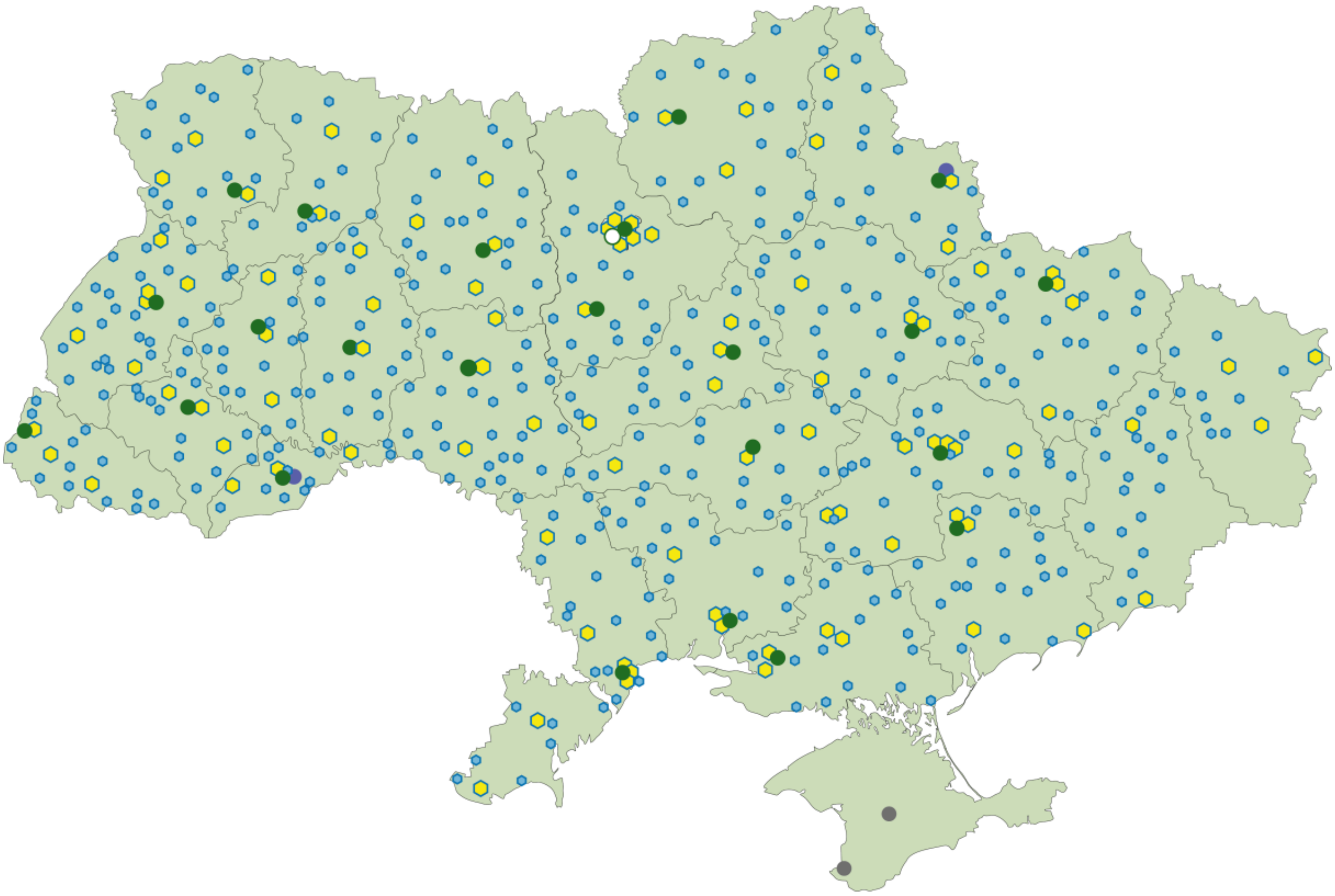


Source: composed by the authors based on the history of legislative changes.

***Fig. 1.** Timeline of the introduction of new eligible categories for secondary legal aid*

As it was noted earlier, the Law also stipulates the general structure of the legal aid system of Ukraine, which is further elaborated on in the Regulation of the Cabinet of Ministers of Ukraine “On the Coordination Centre for Legal Aid Provision” [10].

State-guaranteed legal aid is administered through the Coordination Centre for Legal Aid Provision, and its regional and local offices – regional centres for secondary legal aid provision and local centres for secondary legal aid provision respectively, as well as legal aid bureaus. The Coordination Centre for Legal Aid Provision executes the general governance in this sphere, overseeing and ensuring the strategic development of legal aid in Ukraine. The regional centres (23) are situated in the administrative centres of the regions, contracting criminal defence lawyers, ensuring secondary legal aid provision in criminal proceedings and coordinating the local centres in the given regions (Figure 2). The local centres (84) are situated in medium and big cities, contracting lawyers for civil and administrative cases, ensuring primary and secondary legal aid provision in the abovementioned branches of law and managing the legal aid bureaus. The legal aid bureaus (424) are situated in small and far-off localities, contracting lawyers for civil and administrative cases through a relevant local centre and ensuring primary and secondary legal aid provision in the abovementioned branches of law. Legal advice and information are also provided by phone through the Single Legal Aid Contact Centre. Moreover, distant access points and mobile consulting groups regularly commence to cover the most far-off and inaccessible localities [2;11].



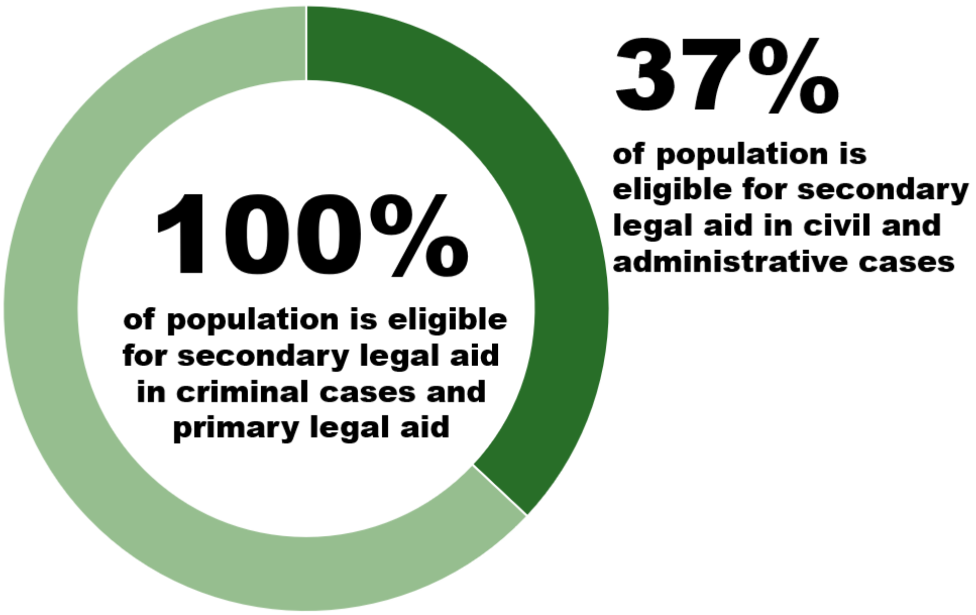
Source: legalaid.gov.ua

White dot represents the Coordination Centre for Legal Aid Provision; purple – offices of the Single Legal Aid Contact Centre; yellow – the local centres; green – the regional centres; blue – the legal aid bureaus. As of the end of 2019, some of the local centres were transformed into bureaus, but the general number of access points and geographical coverage did not decrease [11].

Fig. 2. *Map of the legal aid system of Ukraine as of 2018*

As of the human resources perspective, the legal aid system of Ukraine uses a hybrid approach of in-house and ex-officio models. It employs administrative staff; its regional, local centres and legal aid bureaus also employ in-house jurists (persons with higher education in the field of law, who practice law without a bar license) and contract lawyers ex-officio. Secondary legal aid provision in criminal proceedings is provided exclusively by lawyers. As of the end of 2019, secondary legal aid provision in civil and administrative cases is almost evenly distributed between around 3000 contracted lawyers and around 1600 in-house jurists (in 2016 9,7% of cases were covered by jurists, in 2017 – 26,1%, in 2018 – 49,5%). Contracted lawyers receive case-based remuneration that includes positive coefficients for the complexity and the results of a particular case. In-house jurists, on the other hand, receive fixed salaries, with a limited set of bonuses. It has to be noted that in-house jurists generally receive lower remuneration than the contracted lawyers [2].

The combination of the vast number of eligible population (see Figure 3), the territorial organisation of the legal aid system aimed at maximising the geographical coverage and the proactive legal enlightenment activities provides for almost 700 000 cases of legal aid provision annually [11].



Source: composed by the authors based on the comparative analysis of eligible categories and publicly available demographical data

Fig. 3. *Distribution of Ukrainian population by eligibility*

It should be noted that the modern legal aid system of Ukraine is still very new and many of its elements have only very recently been put in place. The Coordination Centre for Legal Aid Provision was established in 2012, followed by the 27 regional legal aid centres in 2013, 100 local legal aid centres in 2015 and 432 legal aid bureaus in 2016. Currently, neither Donetsk nor Luhansk Oblast have their own regional centres, and fall under the centres in Zapoizhzhia and Kharkiv respectively. The regional centre for the Autonomous Republic of Crimea was disbanded due to the Russian annexation of the peninsula in 2014.

Conclusions

While still young, the legal aid system of Ukraine's legislative and organisational framework allowed it to achieve commendable results, both in the volumes of legal aid provided and the client satisfaction. The impressive volume of legal aid provided is stipulated by constantly expanding number of eligible categories, proactive legal enlightenment activities and great physical accessibility – more than 500 offices in regions and even the most far-off and small localities. The rapid expansion and the extensive network of offices, though, rise the question of the sustainability of the operations in the light of the limited spending from the State Budget of Ukraine – reorganisation of local centres into legal aid bureaus and increase of the legal aid provided by in-house jurists already show the effect of the aforementioned constraints.

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Дейнеко О. Т., Дейнеко Л. В.

Загальний огляд сучасної системи надання безолатної правової допомоги в Україні

У статті наведено загальний огляд системи надання безоплатної правової допомоги України станом на кінець 2019 року. Зокрема, висвітлено основну нормативно-правову базу, організаційну структуру системи надання безоплатної правової допомоги України та її операційну модель. Систематизовано статистичні дані з наданої безоплатної правової допомоги, що можуть бути корисними для подальших досліджень.
Ключові слова: *доступ до правосуддя, правова допомога, верховенство права, Україна, юстиція.*

УДК 338.49
JEL classification F15, L90

Kostiantyn V. Sapun

THE POLITICAL ASPECT OF THE DEVELOPMENT OF MOTOR TRANSPORT IN POLAND

The article is devoted to the features of transport and the transport policy of Poland. The goals, principles and perspective directions of development of this sphere are also described and analyzed. The main factors influencing the transport of Poland are traced, and a behaviorist approach to the study of this sphere is considered.
Keywords: *transport policy of Poland, behaviorism in relation to transport, goals of transport policy, and principles of transport policy.*

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The main players operating in the field of transportation, various specialized state services and political scientists, as well as economists, pay a lot of attention to attracting foreign investment, taxation rules, the dynamics of growth and development of the international and domestic transportation market, study international tourist flows and try to predict the prospects for this area in the future.

At the same time, today, there is a need for more in-depth research of issues related to a deeper analysis of the environment (social, political, business, etc.) in which transportation is carried out in Poland, especially by road. This task requires the use of criterion analysis as a necessary toolkit in the management of traffic flows and transportation carried out in the country, including different levels of political influence: local, regional and international.

While the main carriers in railway and air traffic are quite clearly regulated by the state, road transport, which carries out domestic and cross-border transportation in Poland, with regard to the relatively smaller capacity of each transport unit, often does not receive enough attention and remains outside the field of interest of researchers in the area of political sciences.

- Rlocal environment (direct impact environment) - these are political factors that directly exercise a certain influence on the operation of road transport enterprises [1].
- global environment (environment of indirect influence)
- the most common political and other forces, various events and dominant trends that are not directly related to the operating activities of enterprises of the transport industry, but generally form the context of the transport industry in the Polish market and in the political environment in general;
- international environment: when motor transport companies begin to go beyond the borders of their country of origin in order to develop foreign markets, factors of international geopolitics, various political agreements and norms of international law come into play.

Key success factors are used to study the relative competitive position of the road transport industry. The task of analyzing the political environment in which motor transport operates is to identify key factors in the development of the competitive position of the industry and to formulate a position regarding the further resolution of this sphere. These aspects serve as a cornerstone in planning and analyzing any influence on the processes in the field of transportation in general, but they also vary from region to region and from region to region .It should be noted that it is important to study the factors influencing road transport, since reliable and unhindered operation of transport in the country and providing customer service at the proper level is one of the foundations for ensuring stability in the state, general satisfaction of the population's needs, and therefore national security [2]. At the same time, the strengthening of the role of international road transport made it possible to deepen Poland's cooperation with such neighbors as Ukraine, Germany, the Czech Republic, Slovakia, Belarus, Lithuania and the Kaliningrad Oblast of Russia.

However, the potential of domestic and international road transport, including in the context of transport corridors, is still not fully revealed and its development continues, requiring considerable political will in the country and the continent as a whole.

The main political factors surrounding the polish road transport

Political and economic changes in Poland also had an impact on the transport sector. There was a need to develop a program of action to adapt transport to the requirements of a market economy and new conditions for economic cooperation in Europe. As a result, a new transport policy was formed as a set of principles and methods for structural and technical restructuring, as well as the functioning of transport services markets.

The basic principle of this policy is the operation of transport solely based on economic rules in conditions of intense competition with the highest level of services provided. The goals, objectives, means and timetable for the implementation of the transport policy are subordinated to this.

Its priorities must meet the following criteria:

- high socio-economic efficiency;
- elimination of bottlenecks;
- integration with the European transport system;
- inflow of new transport technologies to Poland.

Because of the realization of the set goals, an effective transport system will be created, which will contribute to the development of not only transport, but also industry, services, foreign trade and transit.

Poland claims an important role in the field of transit due to its geographical position [3]. It is located at the crossroads of the shortest communication routes between the states surrounding it, and also has access to the sea with well-equipped ports, highways and railways connected with countries that are its transit base (transit sources).

Given the natural and technological conditions, the Polish transport system may become an important part of the European communications system.

Due to its specificity, transit is included in the range of interests of both the transport and economic (domestic and foreign) policies of a transit country.

The transit policy as an element of transport sets as a main goal the increase in the prospect of transit mass and the facilitation of transit traffic by creating favorable economic, technical, organizational, formal legal and political conditions.

The increase in transit through the territory of Poland depends on the quality of services offered and their prices. The focus of the transit policy on improving the quality of services is expressed in bringing the transit environment in line with the European system, expanding border crossings, simplifying inspection procedures at border crossings, modernizing transport facilities, etc. This increases the speed, safety, and comfort of transit traffic.

The strengthening of Poland's position in the European transport system is crucial for the development of transit. The hub of Poland in this system is evidenced by the passage through its territory of four corridors of the Trans-European Transport Network for the countries of Central and Eastern Europe adopted at the Crete Conference. Therefore, at present, the priority need and at the same time the direction of the transport policy is to bring the Polish transport infrastructure in line with international technical standards and integrate it with the European network.

The situation in this area is quite favorable, since Poland does not need to recreate a significant transport potential; it is only necessary to rationalize and modernize the transport infrastructure [4].

Railways perform their tasks without fail, the capacity of sea and airports, as well as pipelines, are stable. The disadvantages lie in the capacity of the road infrastructure.

A major flaw is the lack of freeways that ensure the movement of vehicles along non-intersecting routes [5] bypassing cities and without a single-level crossing of level crossings, but this problem has been very actively solved in recent years.

The political aspect of transport innovations

Improving the quality of transit road transport requires alignment of the Polish international highway network with the parameters defined by the European Agreement on Main International Transport Arteries. We are talking about strengthening the road surface, creating additional lanes on the most congested areas, building ring roads around cities and creating two-level intersections with railway tracks [6].

When analyzing the internal conditions of the innovative activity of the transport sector, the main attention should be paid to economic results and effective use of financial resources. The financial activity of the enterprise includes a set of operations on the receipt and use of funds in the valuation and effective use of them in the process of giving different services [7].

When analyzing the external conditions of the transport innovation activity, it is necessary to assess the situation in the following aspects: political, economic, social and legal environment competition (state of the market and competition in transport services). It should be remembered that external conditions may change, and to adapt to new ones. What elements require replacement depends on the degree, speed and complexity of their changes. Some conditions are almost unchanged from year to year; here the organizational changes may be insignificant. Others change quickly; they can be predicted and the company can quickly adapt to them. There are also unforeseen changes, such as sharp inflation, lack of energy, new technological impetus, undesirable forms of government regulation, unexpected increase in competition in the market. Only some firms can rebuild their business and adapt to the rapidly changing environment.

The condition of the viability of innovative projects is their compliance with the innovation policy and strategic objectives of the enterprise, which expresses in increasing the efficiency of economic activity of the enterprise. Evaluating the effectiveness of innovative projects is a key element of innovation analysis.

Researchers which are engaged in the study of the transport sector, as well as the intensity of interaction between the transport sector and its environment (political and business environment), conventionally distinguish these three groups of external political factors:

- local environment (environment of direct impact) - these are factors that directly affect the operations of the transport organizations and experience the direct influence of the operations of the organization;
- global environment (indirect impact environment) - the most common political forces, various events and modern trends that are not directly related to the operational activities of the transport organizations, but in general form the context of the work of transport organizations in the market ;
- international environment: when a transport company begins to go beyond its country of origin in order to develop foreign markets, the factors of international policy and international relations come into play .

However, to study the relative competitive positions of enterprises in the industry of transport, key success factors are used. The task of analyzing the environment of the enterprise is to identify the key factors of the competitive position of the enterprise in the industry. They serve as a cornerstone in the planning of business processes in the international tourism business, but they vary from region to region. Note the importance of analyzing the business environment of the enterprise, which is the basis for modeling, which in turn determines the effectiveness of process management.

Behavioral method of politology in exploring the transport branch

The base of behavioral method is empirical observations of the social behavior of individuals and groups. In this case, priority is the study of individual characteristics. This method contributed to the study of electoral behavior of voters and the development of electoral technologies. Behaviorism made a significant contribution to the development of empirical methods of research in politics facilitated the formation and development of applied political science.

The disadvantages of behaviorism include the fact that it gives priority to the study of isolated (atomized) from the general social structure and socio-cultural environment of individuals and groups, rejects the historical traditions of peoples and moral principles in favor of “bare” rationality. Behaviorism is most acceptable to American society – a society devoid of natural historical roots. The behaviorist individual atom knows only external constraints associated with the pressure of other atoms. In this role, he does not feel bound by tradition, morality, or any values. He feels like a free player who needs to beat the rest [8].

The organization of objectives in the organization of transport services should be carried out in parallel with the process of production planning. After the top management has developed long-term and short-term goals for the organization and for them, in a descending order, specific goals put for the next level of employees. According to P. Drakker, subordinate managers should actively participate in the development of their own goals, basing them on the goals of their higher superiors. This can be implemented at meetings in the departments when discussing prospects for the future.

Individual goals of managers can be of three types: routine or daily goals, problem goals and specific goals for the professional development of managers.

The process of planning actions and the formation of a mechanism for their implementation includes the following six stages:

- planning activities to achieve goals [9];
- the establishment of relationships between the main activities and the creation of a calendar of works;
- clarification of roles and delegation of relevant powers to managers to perform tasks [10];
- estimation of time costs for all operations and processes;
- determining the necessary resources for the implementation of each operation, drawing up a budget [11];
- check the timing and adjustment of action plans.

Future strategy for the development of road transport in Poland

A separate problem is the increase in throughput of border crossings[12]. At the most congested border crossings, the border are crossed in both directions by dozens of buses and many thousands of cars and trucks daily. This situation necessitates an improvement in the border crossing conditions and, above all, a significant reduction for waiting time to move and the inspection procedure. In this regard, measures are being taken to open new passages and modernize access roads to existing ones. This became possible thanks to financial assistance from outside. Recognizing the role of Poland in the European transport system, including as a transit country, the European Union partially finances these investments through various programs.

In addition, a significant relief was brought with the country's entry into the EU and the abolition of border controls on the borders with Germany, the Czech Republic, Slovakia and Lithuania.

In order to increase the competitiveness of Polish motor transport, constant modernization of the road infrastructure is necessary. The implementation of the program will improve the traffic with Western European countries.

Due to the growth in passenger traffic, there is a concentration of international bus services in the northern, central and southern regions of Poland (around Wroclaw, Warsaw, Lublin, Katowice, Szczecin, Gdansk and Krakow). The implementation of this concept is possible, provided the infrastructure of the bus stations is improved and the convenience of passengers traveling with transfers is improved.

The challenges of long-term development stem from the tasks of approximating the transport sector of Poland to the standards of the transport system adopted in the EU, as well as the challenges of the long-term development of Europe, which should be reflected in the development of the transport sector in Poland.

Such tasks may include:

- Ensure the mobility of the country's population.
- Sector reforms to be in line with European standards.
- Increased demand for transportation services.
- The need to reduce greenhouse gas emissions.
- The need to eliminate congestion problems, in particular on the roads and in the air.
- Safety aspects of transport in order to reduce the number of accidents.
- The need to improve transport efficiency.
- Promotion of research activities.
- Completion of the trans-European transport network; improvement of the integration of road, rail, aviation and water transport (sea and inland water transport) into a single logistics chain.

Proper implementation of the transport strategy requires a clear and efficient institutional organization that reflects the principles of "good governance", which will enable the division of functions and responsibilities.

There is a need for regular funding for the transport sector, low cost efficiency and ineffective management, as well as a lack of long-term budget planning. It is necessary to find an opportunity to ensure proper operation and investment in infrastructure development. Funding from international donors should be directed towards the implementation of priority measures.

It is necessary to favor the involvement of private operators in the provision of transportation services provided that they can propose the most cost-effective transport solution, improve the from the availability and availability of transportation services..

Given the insufficient amount of funding, it is necessary to balance the interests of existing networks and the necessary new infrastructure.

It is necessary to study the connections between urban and national transport systems, which will ensure the sustainable development of the transport industry.

The environmental and social implications of the new transport infrastructure should be duly taken into account.

Findings

The study allows us to state that the transport industry has a certain degree of resistance to the influence of various economic, socio-political, regional, intra-industry and external factors, but, at the same time, significantly depends on the financial situation, investment attractiveness and international image of the region and country and the level of development of tourism business – both domestic and international. In addition, this area requires political will and proper support, legislative regulation and financial support from the state.

The conditions in which the development of traffic flows takes place in Poland are characterized by limited financial opportunities, economic, political and social instability. In addition, potential entry tourists, regardless of their attitude to Poland, consider it a rather uneasy territory, and only price affordability or personal sympathy for a certain tourist site can convince tourists to visit Ukraine.

At the same time, there is a pattern characteristic not only for Poland: the larger the market, the easier it is for manufacturers to find customers on it. It is also worth noting that according to the study, today the most decisive for the Polish national and international transport business is primarily the political situation, the foreign policy environment, the degree of financial soundness of the country and citizens, the transport services sales markets, as well as the possible action of natural factors requiring a political settlement.

In the market conditions, the prices for transport services should be determined by the carrier rather than flexibly based on marketing research. It is important to expand the use of contractual and promotional prices and reduce the use of fixed tariff prices, which are instruments of transport policy. The considered transport policy tools fundamentally influence the creation of an integrated modern transport system, in which transit plays an important role as well as a kind of export of transport services. The efficiency of transit traffic largely depends on the implementation of measures envisaged in this area.

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Сапун К. В.

Політичні аспекти розвитку автомобільного транспорту Польщі

Стаття присвячена особливостям транспорту і транспортної політики Польщі. Також у статті описано і проаналізовано цілі, принципи та перспективні напрямки розвитку даної сфери. Простежуються основні фактори впливу на транспорт Польщі, а такожу статті розглянуто біхевіористський підхід до вивчення даної сфери.
Ключові слова: *транспортна політика Польщі, біхейвіорізма щодо транспорту, мета транспортної політики, принципи транспортної політики.*

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JEL Classification L66

Larysa V. Strashynska

IMPLEMENTATION OF INTERNATIONAL STANDARDS AS THE WAY TO ENSURE THE SAFETY OF FOOD PRODUCTS

The article declares that the implementation of new international standards ISO 22000 on Food Safety Management Systems can help to solve the problem of food safety, which will allow facilitating the integration of HACCP and ISO 9001.
The essence, features, and differences of ISO 22000: 2018, which provides for the usage of the PDCA cycle, which can be used to manage the quality management system on a systematic basis effectively, are considered. The content of the PDCA methodology is defined, and the components of the process improvement cycle are analyzed.
It has been defined that the PDCA methodology is based on the risk-based thinking, enabling the enterprise to identify factors that may cause deviations from the planned results of its processes and to develop prevention measures to minimize their negative impact and to maximize the opportunities that arise. The risk management process, as well as the risk response and opportunity activities, are presented.
It is emphasized that within management systems business risk can be perceived as an influence not only of a negative direction, but also a positive one, and perceived as an "opportunity". It is justified that risk and opportunity accounting creates the basis for improving the efficiency of all processes, achieving higher results and preventing negative consequences.
Outlined is the role of management, as long as their new responsibilities emerge that demonstrate leadership. It is emphasized that the identification of all stakeholders and their expectations will help the organization to adjust its overall strategic development orientation.
Keywords: *international standards, food safety, management system, PDCA methodology, risk-oriented thinking, risk management.*

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For food businesses, the problem of ensuring its safety has not lost its relevance for the past several decades. According to the World Health Organization, about 420,000 people die every year from eating poor or dangerous foods in the world [1, p. 40].

The solution to this problem can be facilitated by the development and implementation of new international standards at the enterprises, which regulate and strengthen the control over the production of safe food. Therefore, in June 2018, the International Organization for Standardization (ISO) issued a new version of the ISO 22000 standard on Food Safety Management Systems. At the same time, ISO

22000: 2005 is revoked and companies that have been certified to this standard must translate their certificate to ISO 22000: 2018 during a three-year transition period.

Some changes have been made to ISO 22000: 2018 compared to the previous version. In particular, the standard has been translated into the "High-Level Structure" (HLS) of ISO, which makes the structure of its sections broadly identical to the ISO 9001: 2015 "Quality Management System. Requirements".

The adoption of the top-level structure of the HLS has led to the alignment of the structures of standards 22000 and standards ISO 9001 or ISO 14001. ISO 22000: 2018 now consists of 10 sections, similar to all standards of management systems, which makes it easier for organizations to integrate ISO 22000 with other standards (e.g. ISO 9001 or ISO 14001). Thus, the development of a new version of ISO 22000 was an attempt to facilitate the integration of HACCP and ISO 9001.

ISO 22000: 2018 states that enterprises in their safety management systems should be guided by the PDCA cycle approach, as well as risk-oriented thinking, which is a conceptually new approach to this standard.

The new ideology of the standard is that the PDCA cycle is applied in a dual way as to separate cycles that work together: one covers the management system and the other concerns HACCP principles. It should be noted that any enterprise engaged in the production of food products on the territory of Ukraine is obliged to maintain HACCP procedures for its safety.

According to the current legislation of Ukraine, the State Consumer Service as the main regulator of the market in Ukraine since September 20, 2018, checks the capacities that operate with food products for the implementation of the HACCP system. In the absence of HACCP, the enterprise may receive a fine if it is unable to confirm to the inspector of state control the presence of the HACCP system during the inspection.

The cycle of improvement of processes of PDCA (plan, do, check, act/influence) is a well-known model of continuous improvement of processes. The cycle is a tool that can be used to manage processes and systems. This is one of the most prominent quality management practices, named after its developers – the Deming-Schuhart cycle, which can be used to manage a quality management system effectively. The PDCA methodology can be briefly described as the following:

P – Plan – setting goals and processes, which are necessary for achieving results according to customer requirements and enterprise policies: "What to do" and "How to do" – an assessment of the possibilities of planning necessary changes, defining goals and measures. Plans are being developed through the identification and analysis of problems, as well as capabilities assessment and planning necessary changes.

D – Do – search for problem-solving and implementation of planned activities, as well as control of implementation; implementation of the established processes and search for solutions of the problems with the implementation of planned activities, as well as monitoring the implementation.

C – Check – monitoring and measurement processes with the goals and policies of the organization, evaluating results, making conclusions according to the tasks assigned, and reporting on the results.

A – Act – applying measures for continuously improving processes and making decisions based on received conclusions; if the changes do not solve the problem – repeat the cycle, while making adjustments to the plan (improving the efficiency of the process).

The PDCA methodology is used as a cycle of continuous improvement, with thinking, which is based on risk assessment at each stage. According to the PDCA, the essence of management at the enterprise lays in continuous improvement, and in this regard, changes of goals, plans, creating newly planned events, etc.

The cycle methodology can be applied to all processes. All phases of the cycle depend on the leadership and provide "risk-based thinking" in all cases.

Risk-oriented thinking enables the company to identify factors that may cause deviations from its planned processes and develop preventative measures to minimize their negative impact and to maximize the opportunities that arise.

Risk management in section 6.1 of the standard now requires companies to identify risks that may affect (positively or negatively) the ability of the management system to achieve the intended results and take risk management measures.

A new approach to risk is a vital concept in the food business. This concept distinguishes risk at the operational stage and identifies the business levels of the management system. Companies now need to identify, consider, and, if necessary, take action to eliminate any risks that may (positively or negatively) affect the ability of the management system to achieve the intended results.

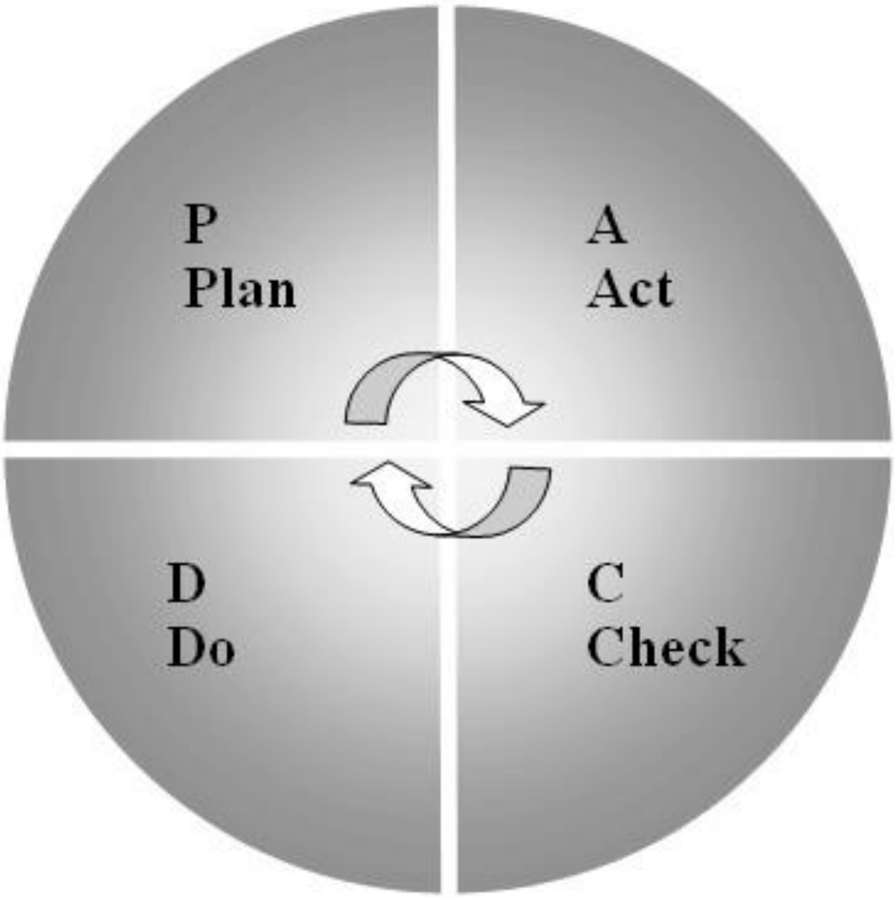

Fig. 1. *Plan-Do-Check-Act Process Management Cycle*

Moreover, if earlier (in version ISO 22000: 2005) risk was mentioned in the context of food safety as the existence of the likelihood of adverse effects on health (e.g., disease) and the severity of the consequences of such effects (death, hospitalization, absence at work, etc.) during a hazard, the latest version of standard 22000: 2018 introduces a new term, business risk. It represents the probability of losses as a result of deterioration of the business environment and negative changes in the organizational and management sphere of the enterprise, which can affect the ability of the company to achieve the desired result.

It should be noted that operational risk is related to the enterprise production functions execution, and business risks are protected from fraud and external factors.

Also, one should not forget that, within management systems, business risk can be perceived as an influence not only of a negative direction, but also a positive one, and perceived as an “opportunity”.

The enterprise already needs to carry out the study not only of operational risks but also financial and legal risks. Accounting for risks and opportunities creates the basis for improving the efficiency of all processes, achieving better results and preventing negative consequences.

Opportunities may arise as a result of a situation favorable to achieving the intended result, for example – as a set of circumstances that enable an enterprise to attract consumers, develop new products and services, reduce the number of discrepancies, and increase productivity.

Opportunity-targeted actions may also include consideration of the risks involved. Risk is the impact of uncertainty; and any such uncertainty can have a positive or negative impact. Positive deviation arising from risk can create opportunities, but not all positive effects of risk will ultimately lead to opportunities. In figure 2 the risk management process is outlined.

Fig. 2. *The risk management process*

The organization must plan actions for risk response and opportunity response and the way of integrating and implementing those processes.

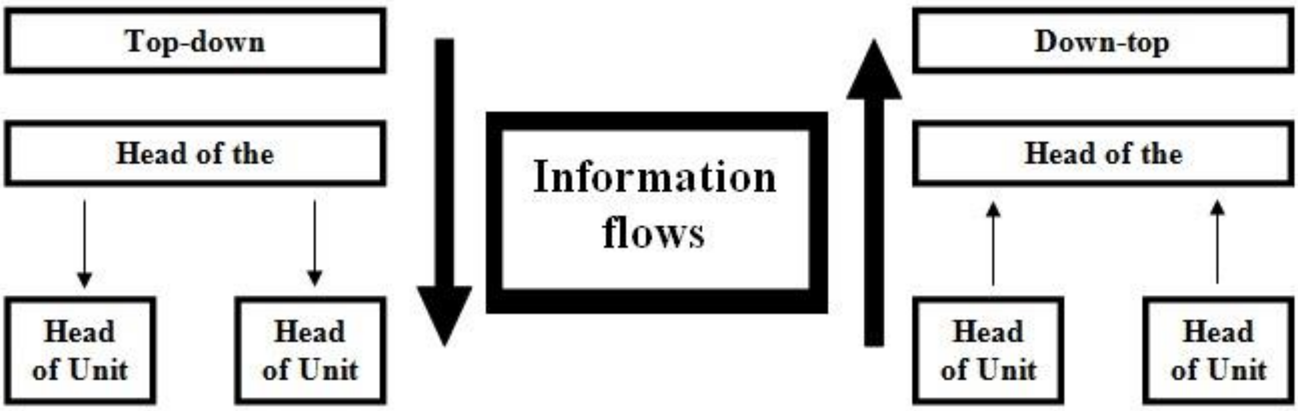

Fig. 3. *Managing risks and opportunities. Creating a risk map*

Risk prevention actions may include risk aversion, risk tolerance to explore the opportunity associated with it, eliminating the risk source, changing the likelihood of occurrence or impact of risk, risk sharing, and risk containment by making an informed decision.

Opportunities can lead to new practices, new product development, new methods, new partnerships, the use of new technologies and other desirable and stimulating opportunities to meet the needs of the organization and its customers.

The standard more clearly defines the role of management in which there are new commitments that demonstrate leadership:

- responsibility for the efficiency of the system;
- combining operational requirements and business processes;
- guarantee of achievement of necessary results;
- identification of risks and opportunities affecting customer satisfaction;
- improving the work of the HACCP system, including support for people involved in the work.

According to the requirements of the new standard, the enterprise must take into account the needs not only of consumers but also of all stakeholders, including customers, owners, employees, etc.

Identification of all stakeholders and their expectations will help the organization adjust its overall strategic development orientation.

The organization should monitor and analyze information related to external and internal factors. The factors (circumstances) or conditions identified for consideration may have both positive and negative effects.

Understanding external conditions (circumstances) can help to address issues related to legislation, technological aspects, competition, culture, social aspects, and economic conditions – internationally, nationally and locally.

Understanding the internal environment can also help to address issues related to the values, cultural aspects and performance of the organization.

Conclusions. Improving food safety and enhancing the competitiveness of food companies is inextricably linked to improving their regulatory framework. The use of the HACCP system at domestic enterprises is, although vital, but only one step towards developing a common quality management strategy aimed at the scientific, technological and industrial aspects of food industry development.

The methodological side of implementing a food security system requires businesses to make a qualified analysis of identifying a limited range of potential factors that can harm the health of consumers and to focus the enterprise’s limited resources on those factors by developing a system of measures that will make it impossible (or reduced to the accepted level) consumer health risk. A significant step towards food safety may be the application of the approach using a PDCA cycle based on risk assessment at each stage. Companies now need to identify, consider and, where appropriate, take action to address any risks that may (positively or negatively) affect the ability of the management system to achieve the intended results.

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Страшинська Л. В.

Впровадження міжнародних стандартів як напрям забезпечення безпечності харчових продуктів

У статті визначено, що вирішенню проблеми забезпечення безпеки харчових продуктів може сприяти впровадження на підприємствах нових міжнародних стандартів ISO 22000 на Системи менеджменту безпеки харчової продукції, що дозволить полегшити інтеграцію HACCP та ISO 9001.
Розглянуто сутність, особливості та відмінності стандарту ISO 22000:2018, у якому передбачається використання циклу PDCA, при застосуванні якого можна ефективно управляти системою управління якості на системній основі. Визначено зміст методології PDCA, а також проаналізовано складові циклу покращання процесів.
Визначено, що методологія PDCA ґрунтується на ризик-орієнтованому мисленні, що дає змогу підприємству встановити фактори, які можуть викликати відхилення результатів його процесів від запланованих та розробити заходи по попередженню, щоб мінімізувати їх негативний вплив, а також максимально використати можливості, які виникають. Представлено процес керування ризиками, а також дії по реагуванню на ризики та можливості. Наголошено, що в межах систем менеджменту бізнес-ризик може сприйматися як вплив не тільки негативного напряму, але й позитивного, і сприйматися як «можливість». Обґрунтовано, що облік ризиків та можливостей створює основу для підвищення результативності всіх процесів, досягнення більш високих результатів та попередження негативних наслідків.

Окреслена роль керівництва, у якого з'являються нові зобов'язання, що демонструють лідерство. Наголошено, що ідентифікація всіх зацікавлених сторін та їх очікувань допоможе організації скорегувати загальну стратегічну орієнтацію розвитку.

Ключові слова: *міжнародні стандарти, безпечність харчових продуктів, система менеджменту, методологія PDCA, ризик-орієнтоване мислення, управління ризиками.*

УДК 005.71:005.21
JEL classification P21

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Тимошенко Д. В.

СТРАТЕГІЧНІ ІМПЕРАТИВИ ПЛАНУВАННЯ РОЗВИТКУ ЗАКЛАДІВ ВИЩОЇ ОСВІТИ

Обґрунтовано актуальність розроблення стратегій розвитку закладів вищої освіти (ЗВО) в Україні. Метою статті є теоретичне обґрунтування важливості розробки стратегії розвитку для закладу вищої освіти, визначення пріоритетів його функціонування та розвитку з подальшим виділенням критеріїв формування конкурентних переваг ЗВО. Це сприятиме колективному натхненню, системному мисленню та розкриттю талантів професорсько-викладацького складу і студентів та вирішенню Україною завдань майбутнього поступу. У процесі досягнення мети визначено поняття імперативу як критерію стратегічного планування розвитку ЗВО, що базується на врахуванні пріоритетів розвитку та визначається об'єктивними передумовами та суб'єктивним баченням шляхів реалізації вибраних стратегічних пріоритетів. Підкреслено, що на сьогодні пріоритети розвитку вищої освіти повинні враховувати досягнення світової практики, тенденції глобального розвитку, особливості вітчизняного ринку освітніх послуг, тенденції розвитку вітчизняної науки, передумови формування та розвитку людського капіталу. Розглянуто та виділено особливості філософської і організаційно-управлінської концепцій формування стратегії організації та здійснено їх апробацію для ЗВО. Охарактеризовано методичний базис стратегічного планування, який може застосовуватись для розроблення стратегій ЗВО. Узагальнено процес стратегічного планування розвитку ЗВО із виділенням основних етапів роботи над формуванням стратегії на основі застосування системного підходу.

Ключові слова: *заклад вищої освіти, стратегія, імператив, планування, розвиток.*

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Постановка проблеми. Зміни в суспільстві вимагають забезпечення належного підґрунття для їх реалізації. Освіта є тим визначальним фактором розвитку, що готує ідеологічні драйвери поступу та суб'єктів управління, здатних ці ідеї реалізувати. Світ функціонує у цифровій економіці, що визначає інноваційні пріоритети сучасності. Україна, яка прагне наблизитись до цих пріоритетів, повинна створити умови для їх формування і реалізації. Нові цілі формують нові стратегії. І це стосується усіх сфер та напрямів розвитку країни. Заклади вищої освіти (ЗВО) є тією інтелектуалізованою платформою, яка покликана на основі об'єднання зусиль, досвіду, навиків, здобутків науковців та студентів сформувати ці пріоритети та забезпечити їх досягнення.

Поняття «стратегія» і «освіта» в сучасних умовах тісно переплетені і перебувають у нерозривному зв'язку, працюють з майбутнім і є результатом інтелектуальної діяльності людей як суб'єктів освітнього процесу. Сьогодні реалізація вдалої стратегії розвитку закладу вищої освіти, зокрема — університету, який є центром навчання і трансферу знань та інновацій є великою силою та могутньою зброєю нації, що забезпечує широкий спектр суспільних потреб та розвиток особистості [1, с. 161]. У розвинутих країнах саме освітня система є визначальним інструментом, що визначає розвиток держави, науки, передових напрямів в освіті (культурі тощо) та інтенсифікує розвиток бізнесу. Відтак тема статті є актуальною.

Огляд останніх досліджень у публікацій, у яких започатковано розв'язання даної проблеми і на які спираються автори. Теоретика стратегічного управління ґрунтується на працях таких вчених, як Ансофф І., Боумен К., Віссеми Х., Віханський О. С., Гроув Е., Виноградова В. І., Дафт Р., Дойль П., Друкер П., Кінг В., Котлер Ф., Ламбен Ж.-Ж., Портер М., Томпсон А., Стрікленд А. Дж., Еванс Дж., Мінцберг Г., Шифрін М. Б., Смирнова М. М., Панов О. І., Чандлер А. Український теоретичний фундамент у царині стратегії представлено у працях таких авторів, як Величко Є. Г., Войчак А. В., Герасимчук В. Г., Довгань Л. Є., Кіндрацька Г. І., Міщенко А. П., Нємцова В. Д., Оборська С. В., Савчук В. П., Скібіцький О. М., Старостіна А. О., Шершньова З. Є., Холод Б.І. Напрацювання із стратегічного управління адаптовано для ЗВО науковцями Дудко П.М., Стеблюк Н.Ф., Колядою О.П., Мельник В. К., Романовським О.О. та інш.

При дослідженні суті стратегічного управління в науковій літературі зустрічаються ідеї щодо перетворення українських закладів вищої освіти на зразок рентабельного підприємства, однак комплексне бачення інноваційно-стратегічного розвитку навчального закладу, яке сприяє комерціалізації і трансферту технологій, побудові навчального процесу за зразком розвинених країн, не завжди присутнє. Це дає підстави стверджувати, що на сучасному етапі інформаційно-методичне забезпечення побудови стратегій розвитку навчальних закладів перебуває у стадії формування.

Виділення невирішених раніше частин загальної проблеми, якій присвячується дана стаття. Сучасний заклад вищої освіти — це «… складна виробнича система, яка виробляє специфічні блага <…> є «високодиверсифікованим виробництвом», який надає послуги з навчання, перекваліфікації, підвищення кваліфікації, управлінського консультування, наукового обслуговування, …» [2, с. 126] тощо, відтак потребує адекватного методичного забезпечення щодо визначення конкурентних переваг на основі системного підходу з опорою на цінності, цілі, механізми досягнення з подальшою імплементацією стратегії розвитку закладу вищої освіти у контексті його діяльності на ринку освітніх послуг. Формування стратегії ЗВО є відправною точкою масштабної діяльності щодо розвитку людського капіталу як ключового елементу конкурентоздатності будь-якої держави, який без належної оцінки та використання так і залишиться потенціалом.

Слід зазначити, що більшість українських закладів вищої освіти продовжує вибирати стратегію оборони, проте остання, через невідповідність параметрів вищої освіти потребами ринку, у тому числі за рахунок незадовільної інтеграції у міжнародне наукове товариство, конфлікту на Сході України, зростання споживчих цін, падіння споживчого попиту, міграційним процесам, невизначеності у зв'язку із реформуванням освітньої галузі, часто є перешкодою на шляху до відчутних змін. Як «… кожна економічна система схильна до хвилеподібних коливань навколо певного центру рівноваги …» [3, с. 146], так і заклад вищої освіти, і система освіти перебувають в точці біфуркації — стані невизначеності, де навіть незначні події можуть змінити стан системи і вивести її з рівноваги. Подібне розглядається Колядою О. П. в якості «… стратегії керованого вибухового тиску. Тиск, пов'язаний з природним скороченням об'єму освітніх послуг, а вибух — з природними амбіціями будь-якого вищого навчального закладу бути лідером (галузевим, регіональним, професійним і та ін.) надання освітніх послуг в умовах соціально-демографічної кризи» у [4, с. 71]. При цьому, вихід із такої ситуації можливий або без стратегічного підходу, коли навчальний заклад буде продовжувати перебувати у хаотичних змінах, які без стратегічного вектору вводитимуть останній у хаос і інфантильність, або із його застосуванням, що дозволить перейти на більш високий рівень розвитку впорядкованості і усвідомленості.

Метою даної публікації є теоретичне обґрунтування важливості розробки стратегії розвитку для закладу вищої освіти, визначення пріоритетів його функціонування та розвитку з подальшим виділенням критеріїв формування конкурентних переваг ЗВО. Це сприятиме колективному натхненню, системному мисленню та розкриттю талантів професорсько-викладацького складу і студентів та вирішенню Україною завдань майбутнього поступу.

Виклад матеріалу. Стратегія ЗВО — це майбутнє його життєздатності у цифровій економіці, яке формується сьогодні на основі програми дій з розподілу пріоритетів і ресурсів. Першим кроком побудови ефективної стратегії є її відокремлення від операційної ефективності, оскільки, як зазначав М. Портер, операційна ефективність — це робити те саме, що і конкуренти, але — краще. Натомість, стратегічне позиціювання означає виконання дій, відмінних від тих, що здійснюють конкуренти, або виконання побідних дій, але іншим способом [5, с. 62]. Для реалізації даної філософії Шеремета П. у праці [6] пропонує три ключових стратегічних рішення, які забезпечують захист стратегії розвитку ЗВО від копіювання конкурентами та найбільше сприяють побудові стратегії його розвитку:

1) рішення щодо унікальності пропозиції (акцентування уваги на диференціації послуг від інших і їх унікальності);

2) рішення про те, чого не робити ніколи (підтримка іміджу і репутаційного капіталу разом із розумінням несумісності певних видів діяльності);

3) синергія усіх видів діяльності (конкуренті переваги навчального закладу акумулюються, а не взаємовиключаються).

Виникає необхідність у ідентифікації пріоритетів діяльності ЗВО, що випливають із його унікальності та які слід враховувати як у процесі планування, так і у імплементації стратегії розвитку шляхом узагальнення стратегічних імперативів. Філософське тлумачення терміна «імператив», що походить від латинського слова imperativus та в перекладі означає «приводити в порядок», «наказувати», пов'язують із наказом, вимогою, велінням, І. Кант у творі «Критика чистого розуму» пов'язував із загальним моральним приписом [7]. Філософське трактування імперативу носить характер беззаперечного обов'язку та базується на глибоких морально-етичних переконаннях людини, що в результаті робить формалізовану моральну чи етичну суспільну норму максимально ефективною [8, 9]. Отже, імператив ми розглядаємо як критерій розвитку, що забезпечує досягнення пріоритетів, визначених об'єктивною необхідністю та суб'єктивним баченням шляхів їх задоволення.

Узагальнення стратегічних імперативів розвитку ЗВО пропонуємо здійснити на основі розгляду *філософської* і *організаційно-управлінської* концепції стратегії [10]. Філософська концепція обґрунтовує важливість місії соціально-економічної системи та визначена як «… позиція, спосіб життя, що не дає зупинитися на досягнутому, а орієнтує на постійний розвиток; інтегральна частина менеджменту, що дозволяє усвідомити майбутнє; процес мислення; інтелектуальні вправи, які потребують спеціальної підготовки, навиків і процедур …» [10].

Слід зазначити, «процес мислення» і цінність філософської думки у вирішенні наукових питань неухильно зростає (тому приклад — зростаючий рейтинг інститутів Liberal arts, університетів з широкою підготовкою). З цієї точки зору ситуація, яка складається з вітчизняними ЗВО змінюється все ж повільно, і розробка стратегії сучасного закладу вищої освіти потрібна для того, щоб допомогти кадрам структурно представити знання про всі соціально-економічні процеси як єдине ціле, що змінить стару парадигму управління організаціями на нову, яка буде побудована на принципах меритократії, використовуючи інтелектуальний ресурс сучасних організацій в якості сучасних драйверів інтелектуалізованого суспільства».

Філософія стратегії як «… інтегральна частина менеджменту, що дозволяє усвідомити майбутнє …» [10] повинна враховувати майбутнє ЗВО. Так, Гуцуляком О. Б. зазначено, що футурологами доводиться факт створення «… всесвітньої мережі «мегаполісів під куполом», де будуть жити виключно корисні для наукового прогресу люди…» [11]. Яке місце в цій системі соціальної та інтелектуальної стратифікації будуть займати українські заклади вищої освіти, залежатиме від швидкості розвитку української науки та уніфікації європейської освіти в рамках об'єднання країн Євросоюзу у єдиний політичний, освітній, економічний та військовий простір. Поділ глобального економічного середовища за джерелом [12] на країни-продуценти інновацій; країни — глобальні майстерні та країни-рудники, виносить Україну за дужки світового соціально-економічного рівняння [1]. Таким чином, найбільш інноваційні заклади вищої освіти відіграватимуть провідну роль у переході української держави до економіки знань, де:

(1) творча праця вже домінує над механістичними підходами індустріальної економіки до неї, оскільки «… Ми живемо в еру економіки вражень і галузі майбутнього будуть галузями творчими» [13, с. 25];

(2) левова частка соціально-економічних систем знаходяться у VUCA-середовищі (англ. *VUCA* — volatility, uncertainty, complexity, ambiguity) [14], що характеризується неоднозначністю, складністю, невизначеністю і нестабільністю (даний акронім використовується також і у військовій справі, див. джерело [15]);

(3) незмінні лінійні структури буття і мислення, які є типовими для класичної європейської культури поступово витісняються пласкими структурами (мережами), а точніше — «цивілізацією грибниць» або «цивілізації ризоми» (фр. *rhizome* — корневище) [16, с 656–660; 17];

(4) на ринок виходять нові цільові аудиторії (часто покоління «Z» і «C»), до яких інформація про події у навколишньому середовищі доходить здебільшого по електронних каналах. Так, «… переходячи у цифровий формат, такі похідні постіндустріальної економіки як шерингова економіка (англ. *sharenomics*) та економіка вражень трансформується у «гламурнодискурсну вампоекономіку» [18] у якості симулякра (копії реальності) і є матеріалізованою метафорою «Суспільства споживання» Ж. Бодрійяра. Людина стає тим, що прокачує через неї інтернет.» [17, с. 409].

Усе вищесказане актуалізує «… внесення у стратегічні плани соціально-економічних систем реального, екологічно-живого поняття об'єктивності процесу глобалізації, що також лежить у площині культурного використання інтелектуальних ресурсів …» [17, с. 410].

Якщо базисом філософської концепції виступає місія, цінності, корпоративна культура, що сприяють вирішенню комунікативних і мотиваційних задач, то згадувана організаційно-управлінська концепція є дещо «механістичною» і пов'язана з практичним інструментарієм реалізації стратегії, зокрема: плановими засадами перспективних дій, ресурсами, заходами, внутрішньої структурою навчального закладу; та ставить на чільне місце процес планування як «… спрямованість на досягнення якісно нових цілей на підставі концентрації зусиль на певних пріоритетах …» [10].

Планування розвитку ЗВО пов'язано із станом людського і соціального капіталу науки України. Якщо під людським капіталом навчальний заклад розуміє свій внесок в успішність своїх випускників, то соціальний капітал науки формує «… місце в суспільній свідомості, авторитет в очах соціуму, традиції і досвід взаємодії вчених з суспільством і органами державного управління …», що «… трансформується в реальні ресурси — бюджетні асигнування, замовлення на дослідження і розробки» [19, с. 23]. Незважаючи на те, що ринкові умови змушують навчальні заклади бути ефективними (якщо можливо — боротися за державне фінансування), на думку проф. Аузана А. А., ступінь їх ефективності визначається не стільки поверненням на капітал (що характерно для комерційних соціально-економічних систем), скільки доходом на людський капітал. За міркуваннями вченого, результат освіти - «… це успішне майбутнє випускника. <…> Говорячи економічною мовою, «людський капітал». <…> Коли людина інвестувала свої (або бюджетні) гроші і час, а через 10 років стала багато заробляти,оскільки результати її праці значні, — це і є дохід на людський капітал» [20]. Саме тому процеси стратегічного планування і довгострокового моделювання мають враховувати стан людського капіталу України. В якості відправної точки — своєрідних «стратегоорієнтуючих маркерів» пропонується стан людського капіталу на основі масштабного дослідження «Людський капітал України 2025», виконаного компанією «Євроіндекс» [21] за методикою форсайту. Тренди розвитку ситуації у сфері людського капіталу представимо у вигляді коротких тез, а саме:

1) «… Країна котиться у доіндустріальну епоху, стрімко втрачаючи інтелектуальний капітал.» [21, с. 5]. Робочої сили стає з кожним роком менше, а та, яка є, дорожчає. За рахунок креативного класу задачу не вирішити, оскільки «… він вимивається найшвидше.» [21, с. 5]. Досить скоро вітчизняні промислові підприємства потребуватимуть кваліфікованих працівників, задовольнити потребу у яких стане не можливо за рахунок вітчизняного ринку праці;

2) стратегія розвитку людського капіталу відсутня; останній експлуатується в режимі радянської спадщини, потребує поновлення, яке не відбувається;

3) присутнє інерційне мислення у свідомості суб'єкта, де майбутнє є прямим продовженням теперішнього. Відбувається «… старіння населення, зниження його працездатної долі, відтік кадрів за кордон, забруднення навколишнього середовища, вимирання одних міст і приплив населення в інші, масовий стрес і т.д.» [21, с. 5];

4) суб’єкт спостерігає дві моделі розвитку країни без вибору останніх: «домінування великого бізнесу» проти «розвиток масового підприємництва»; «зростання громадянських свобод» проти «згортання громадянських свобод»;

5) ми знаходимося у точці невизначення, де всі сценарії майже однаково вірогідні і «… ось-ось підходимо до точки розщеплення, де все визначиться на декілька поколінь вперед.» [21, с. 5]; український бізнес ще не визначився з тим, що для нього корисно.

6) вибір моделі розвитку країни (її майбутнього) буде виконано не завдяки усвідомленому стратегічному рішенню, а «… визначиться рядом дрібних миттєвих рішень, які, накопичившись, створять необоротний процес …» [21, с. 5–6];

7) ставлячись зневажливо і зверхньо до працівників, споживачів, місцевих общин через патерналістські настрої і пасивність, бізнес сам перебуває у полоні схожих цінностей: «… Дослідження продемонструвало чіткий зовнішній локус контролю: бізнес в основному вважає, що доля країни — в руках держави …» [21, с. 6] і інших країн;

8) бізнесу прийдеться переглянути свою роль у соціально-економічному житті України, оскільки останній залишиться без споживачів і працівників. Стратегічна ідея розроблена учасниками форсайту є такою: «… виховання «здорового мислення людей», що включає в себе виховання у дітей *навичок логічного і стратегічного мислення*, навичок споживацької культури, «ринкового мислення», партнерського ставлення до підприємництва. <…> Бізнес не зробить це сам, для цього потрібно партнерство зі здоровими силами в деградованих системах освіти, науки, охорони здоров’я, культури» (курсив наш, автор. колектив) [21, с. 6];

9) відбувається трансформація звичної управлінської парадигми зі зміною суспільного дискурсу «… від «людина є ресурсом» до «людина є партнером» <…> Стратегічні переваги отримають ті організації, у яких стосунки бізнесу і людини розуміються як «суб’єкт — суб’єкт» <…>, а об’єктом управління стає сама динаміка взаємостосунків між бізнесом і людиною» [21, с. 6].

Таким чином, перед розробниками стратегії ЗВО постає необхідність вирішення таких спрямовуючих завдань:

(1) визначення визнання і довіри всередині наукового співтовариства ЗВУ в питанні створення нововведень з їх подальшою комерціалізацією і перетворенням у інновації (умови трансформації інтелектуальних ресурсів в конкретні ресурси);

(2) визначення спроможності політики ЗВО накопичувати та ефективно використовувати створені інновації;

(3) визначення здатності комплексно формувати та використовувати інновації для їх поширення, впровадження та подальшого розвитку із залученням науковців, наукових колективів, студентів та інших зацікавлених сторін.

Вирішення зазначених завдань вимагає застосування відповідного інструментарію стратегічного планування. Пропонується три підходи до стратегічного планування [8]:

1) «умовно процесний», який передбачає досягнення задекларованих цілей та ґрунтується на наукових положеннях, сформованих Карлофом Б. [22] та пов’язаних з процесом впливу на поведінку людей.

2) «порівняльний», який передбачає проектування, розробку і ухвалення стратегічних рішень на основі міркувань Ансоффа І. [23] про те, що стратегія не є «остаточно фіксованою», оскільки постійно доповнюється під тиском обставин.

3) «програмний», який передбачає процес виконання певної програми дій для «… зміцнення конкурентної позиції у довгостроковому періоді» [2, с. 128].

Оскільки нові економічні умови та реальність постійно змінюється, виникає потреба нової якості стратегічного планування на основі врахування існуючих підходів та виділення таких, що зможуть діяти в умовах зниження кінцевого попиту, зменшення платоспроможності, ущільнення ринків в контексті загострення конкурентної боротьби. Вирішує цю потребу системний підхід, на основі якого пропонуються такі етапи побудови стратегії ЗВО [24] :

Етап I. «Реалізація описової концепції», яка пояснює природу об’єкта та динаміку його поведінки і включає: концепцію цілі (чого ми хочемо досягти?); концепцію цінності (з чого складається цінність і чому це для нас важливо?); концепцію механізму (якими шляхами ціль буде досягнуто?). Описова концепція стратегічного планування ЗВО може розвивати, посилювати, удосконалювати існуюче бачення та місію. Її основні положення повинні враховувати цілі, завдання, шляхи, методи та форми реалізації стратегії ЗВО в суспільстві [25, с. 117]. Заслуговує на увагу також врахування та збалансування інтересів суб'єктів вищої освіти [25, с. 120] та усіх зацікавлених у розвитку ЗВО сторін.

Етап ІІ. «Реалізація системного опису об'єкта як моделі», що складається з елементів, які взаємодіють між собою та середовищем. Прогноз динаміки поведінки системи виконується на основі аналізу її структури. Філософія моделювання хоч і є багатогранною, але складного моделювання уникати не слід, адже комплексна модель містить більше інформації, і, на думку Доорна П., «… краще відображає дійсність …», однак буває і те, що «… при масштабі 1:1 модель перестає усе пояснювати …» [26, с. 90]. Варті уваги не лише сучасні системні (холістичні) управлінські моделі в менеджменті, а й принципи мехатроніки (робототехніки), де простий механізм, по-перше, не здатен вирішувати складні задачі і, по-друге, «… ефективність синергетичного поєднання вузлів точної механіки з електронними, електротехнічними і комп'ютерними компонентами динамічно зменшується до певного рівня, після чого різко зростає.» [27, с. 79]. Дане твердження у перекладі на мову менеджменту підтверджується принципом синергії і доповнюється синергетичною інтеграцією компонентів, яка має на меті «… надання об'єкту якісно нових техніко-економічних властивостей до такого рівня, що об'єкт неможливо розчленувати на окремі складові без суттєвого зниження показників якості» [28, с. 52] задля реалізації «… максимально можливого ступеня інтеграції в поєднанні з найвищим рівнем інтелектуалізації» [27, с. 80]. Таким чином, опис об'єкта як моделі має бути побудований з урахуванням принципів синергії і містити щонайменше три компоненти: освіта, наука, суспільство. Так, Холод Б. І. у праці [29] рекомендує використовувати модель проектно-цільового планування з врахуванням інтересів закладу, регіону і держави. В умовах змін заслуговує на увагу модель ЗВО « інновації за дизайном», згідно з якою «будь-яка організація може розробити ідеї та продукти, що забезпечують стійкі чи рушійні інновації на ринку» [30, с. 138].

Етап ІІІ. «Реалізація роботи з цілями», яка здійснюється за описом системи, а не передує йому. Це сприяє встановленню реалістичних цілей за рахунок деталізації останніх за строками: від довгострокових до короткострокових (а не навпаки) і за рівнями: від загальноорганізаційних до цілей окремих підрозділів.

Робота з цілями передбачає вибір методу управління, який стратегія ЗВО доносить до виконавчих елементів — працівників закладу освіти. У праці Давидовим Ю. здійснено опис методів управління для кожної управлінської ситуації; сам метод автором розуміється як «… інструмент формулювання цілі, опису шляху до неї і повідомлення виконавцям їх участі в її досягненні. Спрощено — це метод постановки цілі і задач» [31, с. 39]. Вибір методу управління відповідно до цілей подано у табл. 1.

Завданням керівника залишається виконати усвідомлений вибір методу управління відповідно до цілей і умов.

Етап IV. «Опора на цінності», місію, стратегічне бачення як основу організаційної (корпоративної) культури. Якщо фундаментальними основами організації (ментальною конструкцією) є її цілі, за якими була створена організаційна машина, то цінності є джерелом енергії для її руху — своєрідним «двигуном» і мотиватором. Змінюючи цінності ми змінюємо саму організацію. Цінності і цілі виступають драйвером зміни і одним з головних компонентів корпоративної культури [32]. Цінності є переконаннями, які сповідує кожен працівник. Окрім цінностей корпоративна культура складається ще й з комунікацій, або комунікативних технологій. Окреслимо такі взаємозалежні елементи корпоративної культури: — самі цінностей (місія, цілі, кредо і т.п.); зовнішні елементи, які ідентифікують ЗВУ (атрибутика); — взаємовідносини між ЗВУ як структурою і всіма її працівниками (мотивація, емоційні переживання).

Метод управління	**Суть**	**Характер цілі**	**Масштаб управління**	**Мінливість умов**
Інтерактивне управління	Управління за допомогою команд, вказівок, які виконуються негайно	Разові роботи	Один об'єкт	Не важливо
Директивне управління	Управління за допомогою прямих вказівок, які виконуються об'єктом самостійно без поточного контролю з боку суб'єкта	Роботи що повторюються	Безліч об'єктів	Стабільні умови
Планування	Управління множинними об'єктами задля досягнення єдиної цілі при використанні послідовності дій, яка називається планом	Статичні цілі	Внутрішнє середовище організації, організація в зовнішньому середовищі	Допустимі в масштабі завдання
Управління за цілями	Використання декомпозиції для деконструкції динамічних цілей на окремі завдання	Динамічні цілі		Динамічне середовище
Стратегічне управління	Управління процесом встановлення критеріїв прийняття рішень виконавчими елементами	Динамічні цілі з конфліктом інтересів	Організація і зовнішні об'єкти	Принципово невизначені, турбулентність
Ідеологічне управління	Лідерство з актуалізацією цінностей, що відповідають заданій цілі	Глобальні	Суспільство, зовнішнє середовище	

Джерело: [31, с. 43]

Табл. 1. *Вибір методу управління за Давидовим Ю.*

Цінності підлягають усвідомленню, стислому формулюванню і публікації. Важливо знати, що «… в розбіжності цінностей криється потенціал розриву стосунків між людьми, між співробітниками і організацією, між організацією і зацікавленими особами» [24, с. 27]. Цінності не мають суперечити цілям. Місія навчального закладу пояснює як останній вкупі зі своїм персоналом, майбутніми випускниками трансформують світ; до того ж «… місія — це констатація досягнутого рівня розвитку та відповідності сучасним запитам суспільства», а також «… це повторення засад та загальних рекомендацій державної політики у вищій освіті» [29, с. 6].

Під стратегічним баченням слід розуміти відповідь на питання «… яким буде заклад через 30–50 років і що для цього потрібно?» [29, с. 9].

Етап V. «Вибір механізмів реалізації» зі збереженням вибраного стратегічного напряму і декларованих цілей і цінностей. Цінності виступають рамками обмеження для відсікання непотрібних для соціально-економічної системи напрямів активності й людських ресурсів.

Окрема частина стратегії ЗВО має торкатись якості навчального-виховного процесу, адже становлення молодого фахівця в процесі опанування знань обумовлено біологічними, психологічними і соціокультурними факторами. Відтак, навчально-виховний процес, окрім розвитку необхідних фахових компетенцій, повинен сприяти виробленню в студента:розвиненої культури почуттів; особистісної культури філософії пізнання і творчості; широти кругозору та панорамності бачення; виходу за межі обмежень. Врахування даного підходу у побудові стратегії розвитку ЗВО здатне вивести студентів на єдиний рівень свободи і мотивувати на досягнення очікуваних результатів навчання як для окремого студента, так і ЗВО та професійної галузі, для якої готується молодий фахівець. Під рівнем свободи тут слід розуміти не реалізацію «вільного мислення» взагалі, скільки здатність до вільного засвоєння і самостійного відтворення актуальних знань і навичок.

Висновки та перспективи подальших досліджень. Таким чином, розроблення стратегії університету є важливим напрямом його діяльності, оскільки дозволяє окреслити цілі діяльності у перспективі, враховуючи динамізм та невизначеність середовища. Без цілей неможливо змінюватись, так само як неможливо оцінювати існуючий стан та визначати шляхи його покращення.

У формуванні стратегічних пріоритетів та напрямів розвитку на основі виділення цілей та завдань їх реалізації важливе значення мають сучасні імперативи – критерії розвитку, висунуті вимогами сьогодення, що спонукають ЗВО не тільки підтримувати свою життєздатність, але і прагнути до змін на основі формування інноваційних центрів розвитку наукового потенціалу. До таких імперативів слід віднести: зусилля, спрямовані на формування та всебічне використання людського капіталу ЗВО, що створює умови для творчої праці, прояву креативності; вибір для цього відповідних методів управління, здатних приймати рішення у різних ситуаціях, застосування інноваційно-креативних мотиваторів змін на прикладах провідних університетів світу; врахування інтересів зацікавлених сторін у формуванні стратегічних цілей та шляхів їх досягнення; врахування досвіду та досягнень у діяльності провідних зарубіжних та вітчизняних ЗВО.

Подальші дослідження необхідно проводити в царині досягнення зазначених критеріїв в умовах трансформаційних перетворень, зокрема реформування сфери освіти можливо тільки за умови їх чіткого визначення у програмах, планах чи стратегіях розвитку ЗВО. Їх імплементація дозволить не тільки зміцнити освітній та науковий потенціал країни, але і зменшити відтік молоді та перспективних науковців за кордон, і як результат – поліпшити прогнози розвитку людського капіталу та розширити конкурентні переваги України загалом.

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Strategic imperatives of planning of higher education institutions development

The authors substantiate the importance of working out the strategy for the development of higher education institutions (HEI) in Ukraine. The purpose of this publication is the theoretical justification of the importance of developing a strategy for a higher education institution, determining priorities for its functioning and development, with the subsequent allocation of criteria for the formation of competitive advantages of the HEI. It will contribute to collective inspiration, systematic thinking and the disclosure of the talents of the faculty and students, and settling the tasks of Ukraine's future progress. In order to achieve the purpose, the authors determine the concept of imperative as a criterion for strategic planning of an HEI development, based on the consideration of development priorities and grounded by objective preconditions and subjective vision of the ways to realize selected strategic priorities. It is emphasized that the present-day priorities of the higher education development should take into account the achievements of world practice, the trends of global development, the peculiarities of the domestic market of educational services, trends in the development of the national science as well as the preconditions for the formation and development of human capital. The peculiarities of philosophical and organizational-managerial concepts underlying the formation of an organization's strategy are considered and identified, followed by their practical evaluation for HEI. The authors outline the methodological basis for strategic planning that can be used to develop HEI strategies. The process of strategic planning of HEI development is generalized, highlighting the main stages involved in the formation of a strategy based on the system approach application.
Keywords: *higher education institution, strategy, imperative, planning, development.*

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INNOVATION IN UNIVERSITY EDUCATION AS A FACTOR OF SUSTAINABLE DEVELOPMENT OF UKRAINE. THEORETICAL APPROACH

Sustainable development as known to be an approach to economic planning that seeks to promote economic growth while maintaining the quality of the environment for future generations.
Sustainable socio-economic development of society implies the acceleration and expansion of entrepreneurial activity of its members. Academic or university entrepreneurship is the accelerator of scientific and technological progress and innovative development of the knowledge society.
Authors propose to introduce a new scientific direction in the sphere of higher education with a new scientific term – "Innovatics of higher education" / "higher education innovatics".
The theoretical foundations and practical provisions of the new scientific direction in the sphere of higher education – the ***innovatics in higher education*** *includes a complex of innovative changes in such inherent in higher education types of activities as: teaching, training, study; scientific and R&D activities, new technic and technologies development, construction and design creativity; cultural and moral development, upbringing of human values; education of honesty and justice, patriotism and peacefulness; instilling love and tolerance for one's neighbor, mercy and charity, compassion; engineering, technical, informational activities; financial and economic support of the educational process and R&D, operating and business expenses, development and expansion of activities; inventive and patent-licensing activities, technology transfer; academic or university entrepreneurship; sports, recreational, festive and extracurricular activities; and other types of activities of universities, colleges and other institutions related / involved / associated with higher education.*
Thus, innovatics in higher education (as the complex of innovations in the whale sphere of higher education) includes innovative changes in almost all areas of higher education to enhance and/or improve the quality training of professionally prepared and responsible citizens of the modern community and for development of university R&D. These can be useful for reforming the national higher education system of Ukraine and for the development of a new scientific direction in the field of higher education.
The unique essence (characteristic) of higher education is that it is: 1) an educational process - providing by higher education institutions or scientific institutions to citizens of their and other countries and the new knowledge (transfer of knowledge) and nurturing in them the qualities necessary for society; 2) the process of searching for new knowledge (scientific activity), applied use of knowledge and technology transfer (scientific and technical activity); 3) the sphere of human activity; 4) the branch of national economy; 5) an open educational, scientific and cultural system that has its structure, purpose, characteristics and principles of functioning and which exists and develops under the influence of the external environment (society); 6) subsystem (component) of the general system of humanitarian policy and non-material activity of society; 7) the engine of innovative socio-economic development of society.
Many years of experience of economically developed countries of the world testify to the decisive complex socio-economic role of higher education and science in the process of extended reproduction, including - reproduction of industrial relations between people in this field, its specific patterns, as well as a direct impact on the economic growth of society.
Keywords: *sustainable development; innovation in university education; academic or university entrepreneurship; innovative development of a knowledge society.*

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It is known that a *sustainable development* is an approach to economic planning that attempts to foster economic growth while is preserving the quality of the environment for future generations [1].

Sustainable socio-economic development of society implies acceleration and expansion of entrepreneurial activity of its members. Academic or university entrepreneurship is an accelerator of scientific and technological progress, and innovative development of a knowledge society.

The authors have developed the theoretical foundations and practical provisions of the scientific direction – higher education innovations that may be useful for reforming the national higher education system of Ukraine.

It should be noted that in Ukraine the concept and understanding of a the term "higher school" is equivalent to system or sphere of "higher education" and implies university education, including university preparatory educational programs, bachelor's, master's, postgraduate and doctoral programs, but not a completed education, received in the last (or senior) classes and final grades of secondary school (as usually in some other countries). Thus, in Ukraine, the term "higher school" is an equivalent to the term "higher education" and means the level of university education and that is why both terms are use simultaneously. Therefore, in the article, the terms "higher school" and "higher education", related to the Ukrainian system (sphere) of education and will mean precisely university level education. In this paper, we consider some provisions that could characterize the directions and approaches of innovative development of the education sector, which is a key element in the search for new knowledge, technologies, and the development of socio-economic systems.

Because of the conducted research, identification and analysis of economic mechanisms of innovative development of higher education, which are the effective factor in improving the efficiency and management of the national, in our case – Ukrainian economy – the authors would like to make the following theoretical conclusions.

o Innovative development of higher education is a state-oriented restructuring and implementation of qualitatively new transformational changes in higher education and science in the humanitarian system of a single national economic complex – the Joint national economy complexes of Ukraine (JNECU) based on effective activation and stimulation of innovative activity in this sphere.

2. The essence of innovative development of higher education is a social systemic technical and economic process, characterized by the following features:

- Purpose – innovative reform of higher education;
- Object – educational and scientific branch of the humanitarian sphere of the national economy, which includes innovative universities, oriented towards university (academic) entrepreneurship;
- Implementation of:

–establishing innovative business-type universities; enhancing the role of intellectual entrepreneurship in higher education as a driver of economic growth on the basis of the spread of academic (university) entrepreneurship;

–innovative economic mechanisms development;

–the necessary conditions of public support and favorable legislative framework for innovative academic (university) entrepreneurship;

–availability of scientific and pedagogical, engineering and technical staff and students ready for business.

At the same time, innovations in higher education are complex and have the characteristics of product, technologies, market and organization.

3. The theoretical foundations of state-oriented innovation development of higher education are:

- economic science;
- theory of entrepreneurship and economic development;
- theory of innovative development;
- theory of market economy;
- theory of public administration;
- theory of state management of economy;
- international economics;
- theories of humanitarian development and humanitarian policy of the state;
- theory and practice of higher education;
- economics of higher education;

- the theory of "academic capitalism";
- the theory of "academic (university) entrepreneurship" and theoretical substantiation of the role of innovative research-oriented entrepreneurial universities as accelerators of economic growth.

The organizational and methodological foundations of innovative development of higher education based on widespread introduction of university entrepreneurship, as the main moderator of innovative transformations in the humanitarian policy and non-industrial – nonmaterial sphere are:

- state policy in the field of innovation development of the branches of the JNECU;
- state, regional and local legislative regulations and rules for higher education and entrepreneurship systems (as a component of all four sectors of the country's economy);
- development and implementation of innovative models of entrepreneurship, including university (academic) entrepreneurship and granting the rights of universities and research institutes to commercialize the results of R&D performed at the expense of budget financing;
- financial and tax incentives for the development of university (academic) entrepreneurship;
- definition of directions of development of universities and their tasks in the socio-economic development of countries, regions and local communities;
- organizational and methodological decisions of university owners and staff regarding participation in academic business activity;
- social factors influence.

A very important step is uniting activities of universities and research institutions of the National Academy of Sciences (NAS) of Ukraine, sectoral research institutes and scientific laboratories on the basis of merging into educational and scientific-industrial complexes (techno-parks) with the formation of scientific-industrial techno-polis.The JNECU has a certain structure, which presupposes the presence of components and connections between them. Its main components are two spheres: the *productive sphere* in which material goods are produced, and the *service sector* (non-productive sphere), which mostly provides services to the population.

The conceptual foundations of innovative development of higher education comprise on:

- H.Etzkowitz's concept of innovative development of society by the "triple helix" model [2-5], which is successfully used in many developed countries (USA, UK, Canada, Australia, Japan, Germany, Sweden and many other countries of the EU) and in the developing world (China, Russia, Brazil, some other South American countries, etc.);
- B. Clark's concept of transformational changes of conventional universities into innovative universities focused on in-house entrepreneurial activities ("business universities") [6-8], which has been validated in higher education systems in many countries of different continents (North and South America, the United States of America, Western Europe , Japan, Africa).
- practical principles (and necessary conditions) of innovative development of higher education, which means effective university entrepreneurship, as the main factor of innovative transformations in educational and scientific activity of society is connected with public entrepreneurial mentality and national recognition of the role of universities in economic, scientific and technological development of countries. A favorable legislation to support academic entrepreneurship and commercialization of R&D results is also necessary and very important.
- the willingness and readiness of the teams of research and other types of universities to academic entrepreneurship; the presence of entrepreneurship leaders and employees of the university, the necessary entrepreneurial traits of character, knowledge and skills in the field of entrepreneurship;
- the existence of supply and demand markets in the field of academic (educational, scientific and engineering);
- the awareness of the necessary transformational conditions by the university communities (according to B. Clark), innovation policy and innovation relations, as well as corporate entrepreneurial culture;
- the cooperation of universities with industry and business with the effective support of governments; economic efficiency of university (academic) entrepreneurship;
- the availability of diversified sources of financial revenues to the HEI budget;
- the endowment institute;

- the commercialization of R&D results, transfer of new and introduction of new technologies, creation of spin-offs and start-ups of companies (small enterprises) with the direct participation of employees, students and graduates of universities.

4. The prerequisites for innovative changes in higher education are the formation and development of university entrepreneurship under the influence on:

- the globalization processes of society transformation;
- the new societal challenges to raise the level of education of the labor resources and the quality of their professional qualifications due to the sharp increase in knowledge and significant complication of production and technological processes;
- the reforming higher education systems and changing the paradigm of training specialists in accordance with current socio-economic needs of society and market requirements;
- the reduction of budget funding for universities, colleges and other types of universities;
- the need for competitive financial support for highly qualified university staff, statutory activities of universities, the implementation of fundamental and applied research and development of the material and technical base and necessary infrastructure of universities;
- the extending the mechanisms and foundations of a market economy to humanitarian spheres.

The preconditions for such changes are:

- the new expanded role of universities and other types of universities and the need for their financial independence;
- enhancing the socially beneficial role of entrepreneurship and its extension to all spheres of human activity;
- the improving and disseminating business education and more.

5. The main task of innovative development of higher education in any country is creation of the necessary conditions for a direct purposeful organizational-economic, scientific-educational and engineering-technological activity aimed at the formation of a knowledge society with an innovation-oriented type of economy of the state.

The main tasks of innovative academic (university) entrepreneurship are:

- production and capitalization of new knowledge;
- quality implementation of R&D with further effective commercialization of the results;
- widespread dissemination (transfer) of new knowledge, R&D results and advanced technologies;
- development of innovation activities of universities;
- development, implementation of concepts and implementation of methods, technologies and techniques of innovative economic and social development of local communities, regions, country;
- contribution to national economic growth, national GDP and the competitiveness of countries' economies; development and dissemination of a new type of entrepreneurial activity in the intellectual sphere – academic entrepreneurship in universities;
- promoting effective entrepreneurship education and entrepreneurship education development;
- promotion of financial self-sufficiency and independence of higher education institutions, raising the level of material support of teaching staff and other employees of higher education institutions.

6. It is advisable to consider the ways to further innovative development of the higher education:

- introduction of the institute of innovative academic (university) entrepreneurship;
- development of a sector focused on academic entrepreneurship of non-profit and for-profit universities with the participation of private capital;
- development of an endowment institute for the financial support of leading research universities in entrepreneurship;
- granting at the legislative level full autonomy of universities for independent choice of development strategies, directions of statutory activity and achievement of financial independence;
- introduction of the institute of state (budgetary) and private (independent) project financing in the field of higher education, organization of state support for cooperation between universities and industry (according to the model of "Triple helix" by H.Etzkowitz).

7. "Academic capitalism" and "university entrepreneurship" can be defined as economic categories that have their own characteristic, related to the capitalization and commercialization of intellectual

products – new knowledge, technologies, teaching methods. "Academic capitalism" is a new economic and social environment in which scientific institutions and systems of higher education and all universities of the world in the late XX – early XXI centuries exist, and which includes "university entrepreneurship" as an intellectual type of entrepreneurial activity of researchers, professors - teaching staff, engineers, technologists, designers and university students.

8. Governments in economically developed countries, especially the United States, as well as other countries, have consistently supported academic (university) entrepreneurship, pursued policies developed in the early 1980s aimed at intensifying technology transfer and small technology business development. Evidence of this is the validity of the laws of these countries regarding the motivation and support of innovative entrepreneurship in universities and research institutions in the implementation of research and technology transfer on a commercial basis.

9. International experience of university entrepreneurship shows that:

9.1. Universities of economically developed countries involved in academic (university) entrepreneurship perform in their countries important socio-economic functions:

- in searching, formation and dissemination of new knowledge (performing basic and applied research);
- in dissemination of the latest technologies for industry (business) and social needs;
- in training highly skilled personnel and increasing the nation's human capital and intelligence;
- in preservation of the academic identity of universities and national cultural heritage;
- in entrepreneurship training for the national economy;
- in development of entrepreneurship as a factor of local, regional and national economic growth, solving problems of self-realization of citizens and their employment, confronting financial crises;
- in formation of social networks;
- in conservation and saving of the environment.

9.2. Active involvement of student youth in research, design and technology development is a prerequisite for successful research universities and the development of university (academic) entrepreneurship.

9.3. The influence of entrepreneurship, entrepreneurship education and business universities on the national economic growth of regions and countries as a whole is certainly a proven fact. In this respect, business universities have an important mission to train entrepreneurs and create an entrepreneurial mindset in today's society.

10. To further reform higher education and accelerate Ukraine's socio-economic development, it should be appropriate to use positive US experience in supporting university entrepreneurship, effective commercialization of R&D results, technology transfer, expanding and improving the efficiency of innovative entrepreneurial universities. Ukrainian universities can receive additional financial income through the effective use of web technologies, distance learning and the organization of various forms of distance education.

11. Important for the further innovative development is the state-oriented policy, which consolidates at the legislative level, and further supports the material interest of all those involved in scientific development and implementation of the R&D results, wide commercialization of the R&D results, design and development accelerations, technological acceleration production for the purpose of their widespread import.

To increase the efficiency of R&D results commercialization Ukraine requires state legislative support for patent-licensed activities and technology transfer of domestic universities and research institutes (institutions), the formation of specialized nationwide and industry organizations for technology transfer, enhancement of motivation for improving science and technology development, inventions, patenting and licensing of R&D relevant to the national economy.

12. It may be useful for national conditions to use the positive experience of applying the concept and model of the "triple helix" of H. Etzkowitz in other countries of the world with a view to possible further creative application of it in the context of Ukrainian realities. It is necessary to take into account the existence in Ukraine of the National Academy of Sciences, other academic institutions, which also affect the economic and social development of our society.

13. In order to systematically identify, analyze and form a complex of scientific-theoretical foundations, methodology and organization of innovative activity in the field of higher education and science, it is advisable to create a new scientific direction of research – innovation of higher education.

14. The results of the research are advisible to us in:

- the development of state and sectoral policy on innovative development in the sphere of higher education and science, concepts and real measures to support intellectual academic entrepreneurship and entrepreneurial universities in Ukraine, first of all – research universities;
- the development of a regulatory framework for the organization to use commercially R&D results of universities and research institutions, which were financed by the state budget of Ukraine;
- the formation of a number of state and sectoral measures for further expansion of entrepreneurship education, increasing the efficiency of training entrepreneurs, maximizing the involvement of relevant population in independent industrial enterprises in order to shape and enhance the role of the secondary economy in Ukraine;
- the further study and application in the national context of the concept and model of H.Etzkowitz "Triple helix" for innovative development of Ukraine under the condition of effective cooperation of the triad "universities-industry-state";
- the preparation of lectures, materials for seminars and practical classes, as well as educational and methodological developments in entrepreneurship, innovative entrepreneurship, state management of the national economy, using it as a basis for further studying the problems of academic entrepreneurship, organizational and economic foundations of entrepreneurial universities operating and socio-economic development of the state.

15. The following directions and qustions for further exploration may be important:

- a detailed study of the features of the "triple helix" concept for use in national contexts;
- an analysis of the effectiveness of innovation development of higher education;
- the necessary conditions and possible ways of introducing university (academic) entrepreneurship in Ukraine.

16. A significant problem for Ukraine is the weak involvement of university students in research at the institutes of the National Academy of Sciences. The lack of close cooperation between universities and the NAS is a drawback from the Soviet history of Ukraine. During the Soviet period, most of the research institutes of the National Academy of Sciences of Ukraine carried out orders and tasks of the military-industrial complex. That is why the wide access of university students to such works was not possible. During the period of Independence of Ukraine, the situation did not change much for the better and now universities and institutes of the National Academy of Sciences do develop significant research collaboration, instead they develop competition for state budget research financial support. Moreover, the weak participation of students in the scientific activity of the NAS does not contribute to the scientific growth of Ukrainian student youth. Universities research traditionally lags behind the NAS in the availability of special equipment, the necessary conditions and amounts of funding. This problem continues to exist and for almost last tree decades and that is why sharply reduces the scientific potential of Ukraine and slows down the development of university education.

17. Sustainable development of Ukraine in the period of its independence is hampering by a very high level of corruption. The Corruption perceptions index 2018 of Ukraine, given by Transparency International, is very poor (120) [9] because of the dependence of economic, industrial and social development on oligarchic groups [10]. Unfortunately, almost three decades of Ukraine Independence are associated more with the birth, development and strengthening of oligarchic clans than with democratic, market and social transformations of the country.

Theoretical provisions, conclusions and recommendations for Ukraine.

The unique essence (characteristic) of higher education in economically developed countries of the world is that it is:

- educational and upbringing process – providing higher education institutions or scientific institutions to citizens of Ukraine new knowledge (transfer of knowledge) and nurturing in them the qualities necessary for society;
- the process of searching for new knowledge (scientific activity), applied use of knowledge and

technology transfer (scientific and technical activity);

- the sphere of human activity;
- the branch of national economy;
- an open educational, scientific and cultural system that has its structure, purpose, characteristics and principles of functioning and which exists and develops under the influence of the external environment (society);
- subsystem (component) of the general system of humanitarian policy of society;
- the engine of innovative socio-economic development of society (See: Fig. 1).

In society, higher education is an industry of the national economic complex, and also - a social socio-economic process that has social and economic components, promotes innovative development of society and directly affects the socio-economic growth of the nation (See: Fig. 2).

The main strategic goal and the desired result of the innovative development of society is the formation and continuous improvement of the knowledge society with an innovation-oriented type of economy.

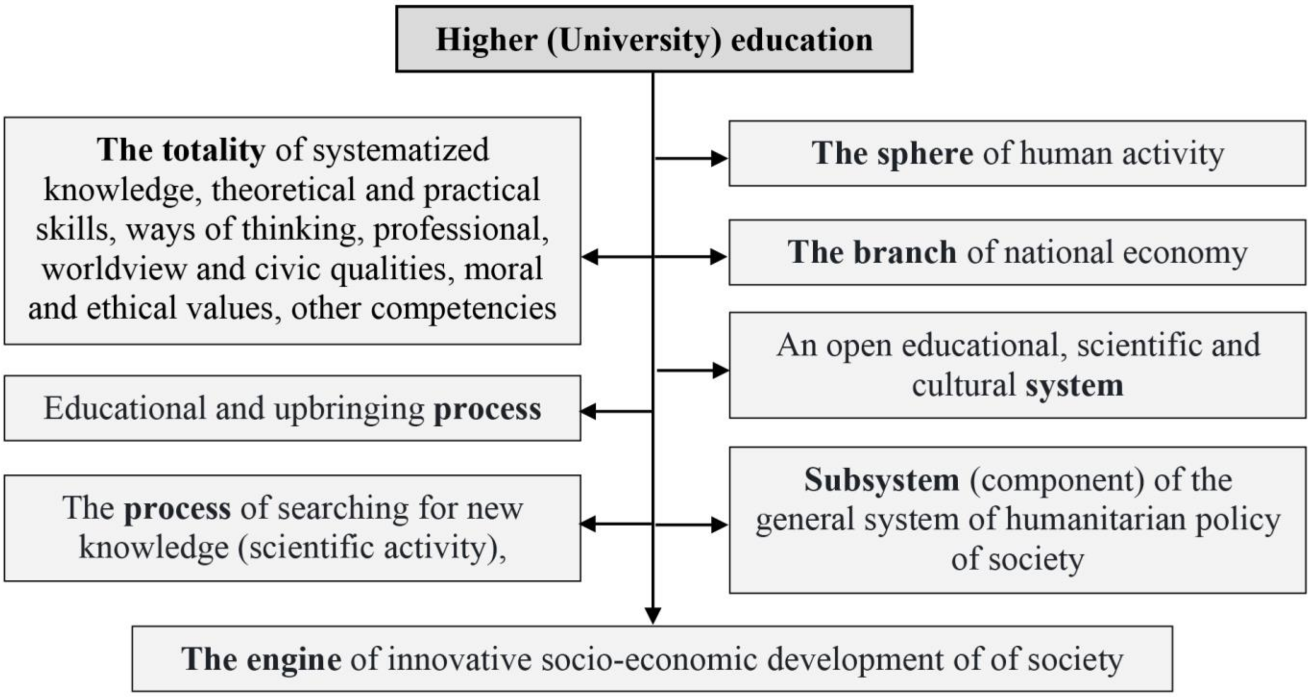

Fig.1. *The unique essence (characteristic) of higher education*

The economic mechanisms common to all countries operating in the field of higher education and science in the system of humanitarian activity of a JNECU are based on the principles of economic theory, economics of education, economics of non-productive sphere (sphere of immaterial production) and economics of socio-cultural spheres. The higher education and science sector itself applies to the tertiary and quaternary sectors of the economy, but the results of education and research are the basic economic factors of all four sectors.

Many years of experience of economically developed countries of the world testify to the decisive complex socio-economic role of higher education and science in the process of extended reproduction, including – reproduction of industrial relations between people in this field, its specific patterns, as well as a direct impact on the economic growth of society.

The objective prerequisites for the decisive integrated socio-economic role of higher education in modern society are, *first*, the formation of the education system as an independent and specific branch of the national economy, which is a factor of human development. *Secondly*, the deployment of the Scientific and Technical Revolution (STR), which led to:

- substantial expansion of education;
- a significant increase in its costs;

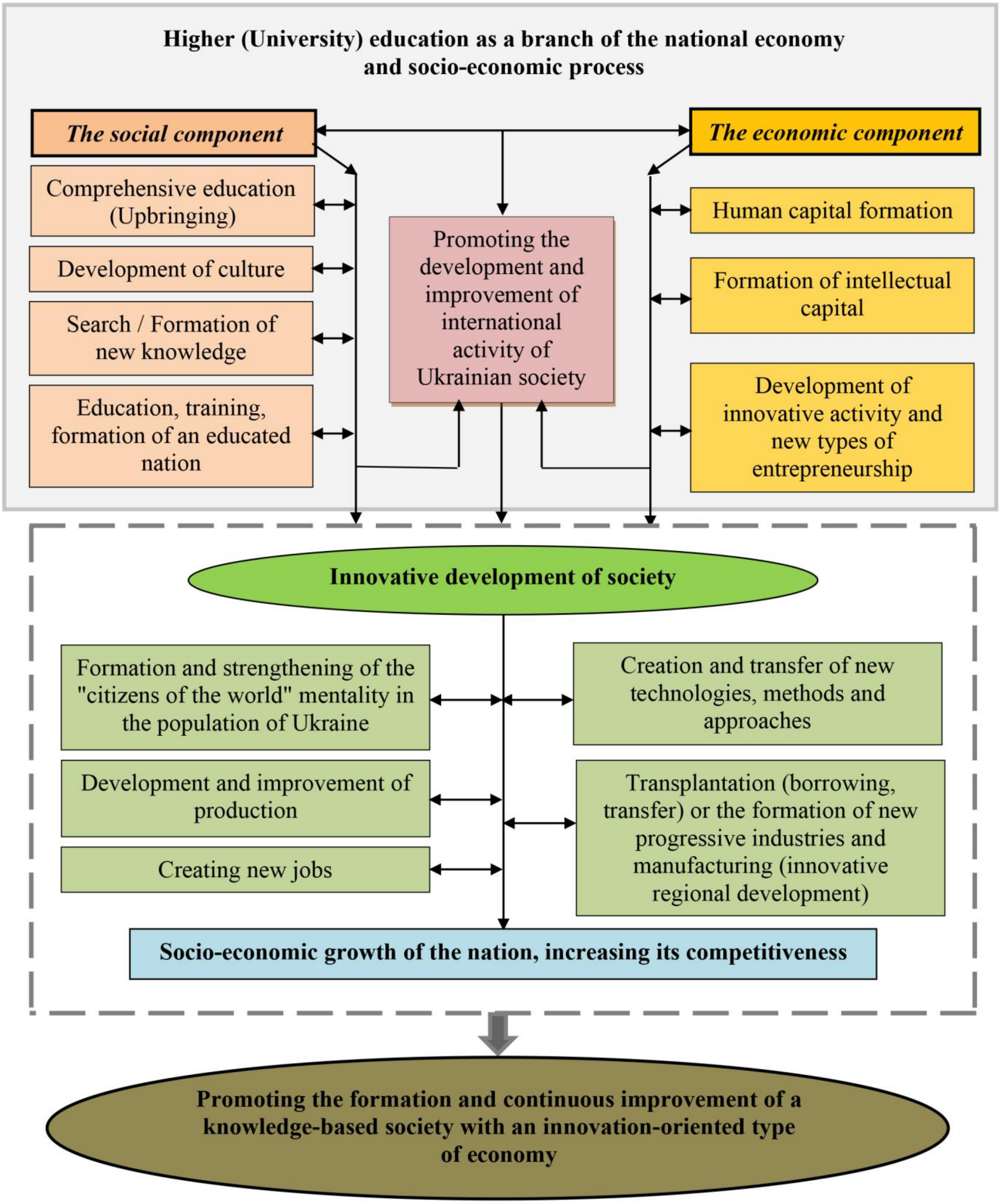

Fig. 2. *The function and components of higher education in modern Ukrainian*

- increasing the impact of education on the development of economic theory, economic mechanisms of public administration, rates of socio-economic growth, efficiency of individual, collective and social production, differentiation of wages of employees, etc. .;
- efficiency of individual, collective and social production, differentiation of wages of employees, etc.;

- penetration of market economy principles, methods and mechanisms into the sphere of academic activity, rapid commercialization of activities in the educational and scientific sphere, emergence of socio-economic phenomenon of "academic capitalism" and the phenomenon of academic entrepreneurship.
- STR has brought to the fore the qualities of the workforce such as education, qualifications, economic thinking, organizational skills, responsibility and more. In addition, this, in turn, requires a radical reform of the Ukrainian education system, which is a factor of human development and the basis for the socio-economic growth of the nation.

Third, the focus of humanity's efforts on building a knowledge society with an innovation-oriented type of economy that cannot be successfully resolved without highly educated human capital, intellectual capital, new knowledge and innovative technologies. To solve the problems of building a knowledge-based society with an innovation-oriented type of economy, it is necessary to have both a high level of education of contractors – workers and specialists of various branches of economy, science and technology, as well as the presence of active entrepreneurs, qualified managers, organizers and leaders of production and non-production (social) processes, managers at different levels.

At the same time, the innovative development of the education and science sphere should be state-oriented and implemented in the humanitarian policy system of the JNECU based on effective activation and stimulation of innovative activity in this field.

It is imperative that in the current difficult conditions for Ukraine the reform of higher education can exert not only a direct scientifically grounded influence on the further development of the sphere of humanitarian policy (in non-industrial and non-material sphere) of Ukrainian society, but also on counteracting hostile anti-Ukrainian and anti-Independent of Ukraine propaganda. Intensifying the means of resisting humanitarian aggression, promoting and support active truthful public outlook, confirmation of the vital need to integrate an independent Ukraine into the European family of highly developed democratic countries also are very important today and for future.

One of the innovative directions of higher education reform is the introduction and expansion of the use of intellectual and academic (university) entrepreneurship, creation of new organizational and economic forms of interaction of the higher education system with society, further introduction of market mechanisms in the field of higher education. The use of academic entrepreneurship, intellectual and human capital, the commercialization of the maximum number of research results and design of structural developments are important for increasing the return of investment.

The main partners and actors that facilitate the innovative development of higher education, as well as the society overall, are the colleges of higher education institutions. According to international experience, the most powerful and successful innovators in the education systems of different countries are, first of all, research universities, focused on academic entrepreneurship in educational and scientific fields, as well as leading universities [11].

Maybe it is necessary to study, summarize experience and describe the theoretical foundations and practical provisions of innovation activity in the field of higher education (we mean – the university education) from the already known innovative activity in the field of higher education. The theoretical foundations and practical provisions of innovation activity in the field of higher (university) education it is advisable to distinguish as a separate scientific direction in the sphere or field (sector) of higher education. Authors propose to introduce a new scientific direction in the sphere or field (sector) of higher education with a new scientific term – "Innovatics of higher education" or "higher education innovatics". The use of the term "higher education innovatics" may be appropriate to designate a separate scientific direction in the field (or system, or field, or sector) of higher education by analogy with the scientific areas "Fundamentals of Higher Education", "Theory and Practice of Higher Education", "Economics higher education". However, at the same time – differ from other scientific areas in the field of innovation (innovative activity).

By definition, the theoretical foundations and practical provisions of the new scientific direction in the sphere of higher education – the **innovatics in higher education** has to include a complex of innovative changes in such inherent in higher education types of activities as:

- teaching, training, study;

- scientific and R & D activities, new technic and technologies development, construction and design creativity;
- cultural and moral development, upbringing of human values;
- education of honesty and justice, patriotism and peacefulness;
- instilling love and tolerance for one's neighbour, mercy and charity, compassion;
- engineering, technical, informational activities;
- financial and economic support of the educational process and R&D, operating and business expenses, development and expansion of activities;
- inventive and patent-licensing activities, technology transfer;
- academic or university entrepreneurship;
- sports, recreational, festive and extracurricular activities;
- and other types of activities of universities, colleges and other institutions related / involved / associated with higher education.

Thus, innovatics in higher education (as the complex of innovations in the whale sphere of higher education) includes innovative changes in almost all areas of higher education to enhance and/or improve the quality training of professionally prepared and responsible citizens of the modern community and for development of university R & D. These can be useful for reforming the national higher education system of Ukraine and for the development of a new scientific direction in the field of higher education.

We have researched and developed the foundations and concepts the "innovatics" in higher education based on general theories of innovation activity of other spheres and fields of human activity. Innovatics in higher education should comprehensively promote the following activities:

- to study the laws of the processes of development and formation of innovations, introducing new solutions to existing problems;
- to research change management mechanisms;
- to study and propose ways to overcome resistance to innovations in the field of higher education, pedagogical, scientific and engineering activities,
- to develop mechanisms for human adaptation to innovative changes,
- to study the use and dissemination of innovative flows,
- to promote and prove the benefits of innovation, the impact of innovation on the development of competition in higher education and science, as well as on accelerating and improving the development of higher education and science in the state as a whole.

Authors think that the subject of higher education innovatatics has to be the principles, laws and consistent pattern of innovation processes in higher education and science as a socio-economic system of humanitarian policy of the JNECU. Including models and methods of description, research, organization and management of innovative activities (educational, pedagogical, scientific, technical, organizational and economic) at the macro level (national innovation system of higher education and science), meso level (industry and regional innovation systems and innovation clusters of education and science), and micro levels (strategies for innovative development of individual HEIs, scientific institutions, enterprises and organizations of higher education and science). In higher education, innovatatics, as a scientific field, can be distinguished two complementary components: *theoretical innovatatics* and *applied*.

Theoretical innovations of higher education should solve problems of creation and development of scientific methodology of innovation in higher education and science, theoretical problems of synthesis of innovatively complex organizational and technical systems (new knowledge, ideas, pedagogical methods, techniques, technologies, inventions, discoveries, etc.). *Applied* higher education innovatatics refers to the direction of innovation in solving problems of planning, organizing and implementing innovations in the higher education system. The task of *applied* innovations of higher education should be to solve the organizational and legal issues of innovation, the creation and implementation of innovative projects, etc.

The expected best result of innovative research and its implementation in the field of higher education is the achievement of practical effect for the welfare of the state, humanity as a whole.

The main areas or sections of higher education innovatatics in the field of humanitarian policy of the JNECU including intangible production, which is a sphere of social production in which are produced intangible services: retail, public catering, passenger transport and communication (serving the public), household services, health care, etc., and spiritual values: education, upbringing, culture, art, etc. should be:

- theoretical foundations of pedagogical (pedagogical innovations), scientific and technical (STR innovations) and organizational and economic innovation activity in the higher education system;
- theoretical foundations for the formation of innovative corporate entrepreneurial culture in the higher education system;
- models and modeling (including economic) of innovation processes;
- organization and management of innovation development and innovation activity;
- state regulation of innovation activity;
- management of innovative business, incl. - university or academic entrepreneurship, spin-offs and start-ups;
- management of innovative projects;
- management of investments in innovative projects;
- commercialization of the results of scientific, technical and creative activities;
- human resources management in the process of innovative development of socio-economic system;
- managing risks in innovation;
- Technical marketing (early-stage marketing of a product or technology);
- logistics of innovation processes;
- management of intellectual property.

The innovative development of higher education can be understend as state-directed structural restructuring and the implementation of qualitatively new transformational transformations in the field of higher education and science in the humanitarian policy system of the JNECU based on the effective activation and stimulation of innovative activity in this area.

Transformations can be carrying out based on the latest scientific achievements and theoretical and methodological foundations, under the clear legislative and executive control of state and economic bodies, in an effective system of organization and management. The strategy of structural adjustment of the economy of higher education can be base on the principles of self-organization and the application of theoretical and practical achievements of economic science.

Innovative activity in the field of higher education and science is the process of creating, implementing and disseminating in the practice of higher education, scientific and engineering activities of new ideas, means, scientific, engineering, pedagogical, organizational and managerial and economic methods and technologies. Because of which, the achievement indicators of the structural components of the higher education system, scientific and technical activities and scientific services are increased and its transition to a qualitatively higher level takes place.

This activity:

- is based on theoretical and methodological principles of pedagogical, scientific, technical and economic innovation of higher education;
- is aimed at transformational transformations of the higher education system;
- aims at the innovative development of higher education and science;
- is carried out to solve the strategic task of the humanitarian sphere of the JNECU – further building the information society of knowledge with an innovation-oriented type of economy.

Innovations in higher education and science are related to:

- the formation and accumulation of new knowledge;
- the use and commercialization of research and development results;
- the transformation of R&D, other scientific and technological developments into new or improved products, technologies, services introduced on the market, into a new or improved technological process used in practice, or a new approach to social services;
- the formation and accumulation of intellectual capital and the formation of human capital;

- the formation of entrepreneurial mentality and corporate entrepreneurial culture in subjects of innovation activity in the higher education system;
- the using new tools, methods and technologies to accelerate the economic growth of society.

The objects of innovation activity in the field of higher education and science are obviously:

- the innovative programs and projects;
- the new knowledge and intellectual products, educational and scientific services;
- the infrastructure of higher education and science in the humanitarian system of JNECU, university (academic) and intellectual entrepreneurship;
- the organizational and technical decisions of an economic, administrative, commercial or other (non-productive) nature that substantially improve the structure and quality of the humanitarian policy of the JNECU (non-production and social sphere);
- the new experimental designs and innovative solutions of engineering and technical character, innovative technologies for production of new products (services);
- the mechanisms of formation:
- the markets for educational and scientific services;
- the manpower required qualifications,
- the education of employees of the entrepreneurial mentality and integrated corporate entrepreneurial culture;
- the cooperation of the triad "University – industry (business) – government (state)".

The subjects of innovation activity in the field of higher education and science are individuals or legal entities (HEIs, scientific institutions, structural units of the educational and scientific system), which carry out innovative activity or attract property and intellectual values, invest their own or borrowed funds in the implementation of innovative JNECU humanitarian policy projects.

Innovation in higher education and science is designed to produce an innovative product, new service, innovative technology, methodology or new solution. An innovative product is a research or experimental design development of a new technology (including information technology) or products with the production of experimental designs or experimental batches.

Innovative activities in higher education directly affect the intellectual and socio-economic development of states. The main task of innovative development of the higher education sphere of Ukraine should obviously be considered a direct purposeful organizational-economic, scientific-educational and engineering-technological activity aimed at the formation of a knowledge society with an innovation-oriented type of economy of the state.

This includes:

- Accelerated formation of new knowledge, progressive innovative technologies, innovative resource sources, materials, means of production, forms of consumption and distribution of manufactured products and services.
- Ability to produce innovative products and services using global advanced technologies and advanced techniques (advanced techniques), which is becoming a dominant source of competitive advantage. An innovation-oriented economy is characterized by distinctive (special and distinct) producers and a high share of services in the economy and is sufficiently resistant to external influences. A distinctive feature of countries with an innovation-oriented economy is the production and export of new global knowledge (technologies, methods and techniques) necessary for the development of innovation and further socio-economic growth of countries).

Recall that the innovation-oriented stage of economic development of the state is characterized by an increase in entrepreneurial activity, including – an increase in the role of intellectual entrepreneurship. For over a century, there has been a tendency to increase the intellectual level of economic activity, which has been manifested in almost all industrialized countries, ranging from small firms to large organizations.

- Advance of intellectual capital. The world economic system of the late XX – early XXI centuries is characterized by a new paradigm of economic development based on a significant reduction in the role of material and resource components of social production and an increased role of the intellectual component. Knowledge production, distribution and use now form the basis of a knowledge-based economy, characterized by the growing interconnection between capital markets and emerging technologies, and the global nature of knowledge creation and use. In new economic conditions, purposeful formation of innovative potential, increase of intellectual capital and their competent use becomes the basis of economic growth.

- Formation of national human capital. The base of the knowledge society is a highly educated nation with specialists of the necessary level at all levels of functioning of the state system.

The main directions of innovative development of the sphere (system) of higher education include:

- Establishment of an "entrepreneurial mentality" in Ukrainian society through active promotion of entrepreneurial activity as a mechanism of self-realization of a person and creation of new jobs. The state support of all types of entrepreneurship as the main factor of economic growth of the state is necessary. Also it is needs a strengthening of economic and entrepreneurial education, teaching the basics of economic knowledge and entrepreneurship vocational training, courses of theoretic and practical training, practical life-long entrepreneurship training..
- Widespread introduction, with the state support of innovative "academic or university entrepreneurship", intellectual entrepreneurship, creation of legislative and regulatory acts to stimulate invention, development of research and development, implementation and commercialization of the results of scientific and technical activities.
- Giving broad (full) autonomy to universities of all types and forms of ownership.
- Strengthening the role of "science" of research universities.
- Integration of university science with academic and sectoral science – for example, on the basis of amalgamation or merger of HEIs with academic and sectoral research institutes, laboratories, etc. with the aim of forming educational and scientific associations, scientific parks and techno parks with the prospect of further cooperation with industry (business) and creation of techno-policies and educational-scientific-industrial entities (associations, scientific-grads, regional innovative educational-scientific-industrial complexes). Creation and development of incubators, spin-offs and start-ups of venture capital companies.
- Strengthening of the role of the state in support of the triad of society "University – Business – Government", where the core of innovation is the university, and each of the three institutions, in addition to its traditional functions, partially begins to fulfill the functions of others. Establishment of independent institutions for licensing and accreditation of HEIs activities. Creating new forms of budget financing for higher education and research, granting grants and public procurement solely on a competitive basis with the involvement of members of the public and the media.

The main stages in the implementation of innovative development of higher education include:

- Formulation and concretization of scientifically grounded innovative changes and directions of their implementation.
- Formation and concretization of scientifically grounded innovative changes and organizational principles of their implementation.
- Science-based calculation of material costs for the introduction of innovative changes.
- Creating the necessary economic and organizational conditions for effective implementation of innovative changes.
- Realization of innovative changes, their constant updating and improvement.

Based on our studies as to world experience, it can be argued that major innovative changes in the higher education system can occur in objectively defined main areas [11]. Next, we look at the main directions in which innovative changes in higher education are taking place and the main (desired) results (See: Fig. 3):

- New content of education: formation of a new content of education aimed at preparing a person for self-realization and independent living in society.
- New learning technologies: development, creation and implementation of innovative learning technologies, general and inclusive entrepreneurial and environmental education.
- New curricula: use of methods, techniques, tools implementation of new curricula and plans.

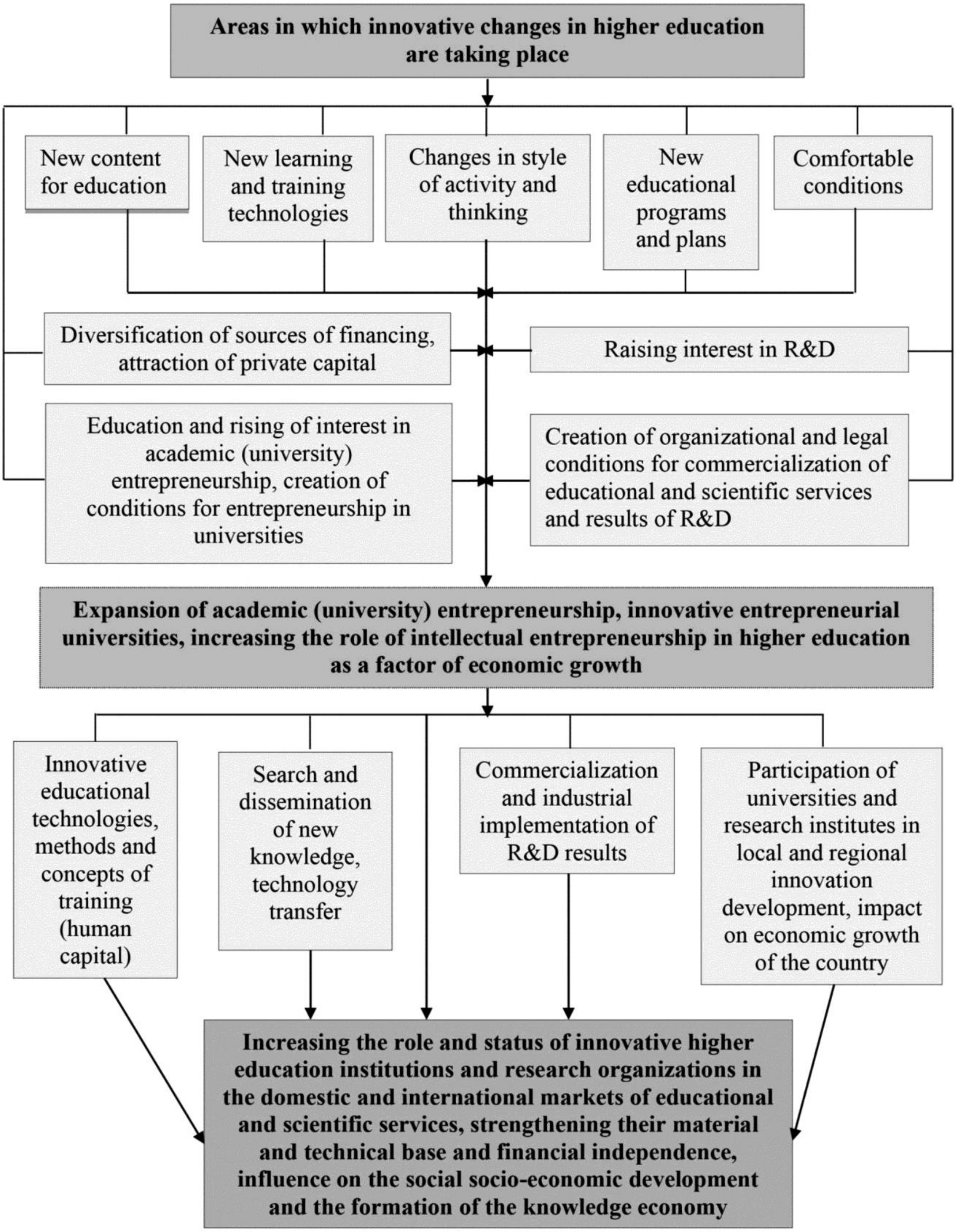

Fig. 3. *Areas in which innovative changes in higher education are taking place and the main (desired) results*

- Comfortable conditions: creating comfortable conditions for self-determination in the learning process.
- Changes in the way they work and the way they think: Encouraging changes in the way they act

and the way they think about teachers, students and students, changes in the relationship between them, creating and developing innovative teams in educational institutions at all levels.

- Educating interest in R&D: educating young people with an interest in research and development by engaging in scientific and design work, striving for search, inventions and discoveries.
- Diversification of sources of financing, attraction of private capital: diversification of ways and sources of financing, search for new sources of financial support, creation of innovative funds of financial and economic and logistical support for education, wide involvement and use of private capital.
- Education (upbringing) of interest in academic (university) entrepreneurship, creation of conditions for entrepreneurship in HEI: education and stimulation of interest in academic (university) entrepreneurship by all members of the HEI team, commercialization of the results of educational, research and engineering activities, creation of the necessary conditions (logistical, legal, incentive and reward systems) for the motivation and practical implementation of educational, scientific, technical and technological entrepreneurship in HEI.
- Creation of organizational and legal conditions for commercialization of educational and scientific services and R&D results: creation of the necessary legal framework, support at the state level of measures for commercialization of the results of educational and scientific activities in the field of higher education, support of academic entrepreneurship.
- Dissemination of academic (university) entrepreneurship, innovative entrepreneurship-type HEIs, enhancement of the role of intellectual entrepreneurship in higher education as a factor of serious economic growth.

The implementation of such innovative changes and transformational transformations in the higher education system should lead to:

- dissemination and promoting of innovative academic (university) entrepreneurship in the field of higher education;
- creation of innovative HEIs and business-type scientific institutions;
- enhancing the role of innovative intellectual entrepreneurship, linked to the production of innovative products, technologies and services through the use of new knowledge and based on high-level intellectual activity;
- accelerating the economic growth of the country and increase its competitiveness on the world stage.

The result of the active expansion of academic (university) entrepreneurship, the activities of innovative universities of entrepreneurial type, the enhancement of the role and importance of intellectual entrepreneurship in higher education should be:

- Innovative educational technologies, training methods and techniques.
- Search, acquisition and dissemination of new knowledge, technology transfer.
- Commercialization and industrial implementation of R&D results.
- Participation of universities and research institutes in local and regional innovation development influence on the economic growth of the state.

The most important results of such innovations are the enhancement of the role and status of innovative HEIs in the domestic and international markets of educational and scientific services, strengthening of their material and technical base and financial independence, influence on social socio-economic development and formation of the knowledge economy.

Summarizing the results of a comprehensive study of the innovation in university education as a factor of sustainable development of Ukraine it is necessary to note the very slow reform of Ukrainian higher education and the lack of effective innovation. Ukraine needs the development and state legislative support of academic entrepreneurship. It is necessary to strengthen the cooperation of universities with the institutes of the NAS, as well as with business and the manufacturing sector. As to the phenomenon of academic (university) entrepreneurship [2-8], it should be noted that entrepreneurial universities operate in the higher education system under the current market laws of the economic system, interact with the internal forces of the surrounding society (respond to its challenges and requests), are influenced by the globalization pressure of the world community (as schematically shown in Fig. 4). The biggest threat to Ukraine's higher education and Ukrainian nation is represented by corrupt oligarchic clans who are not interested in educating citizens of the country.

The theoretical foundations and practical provisions of innovation activity in the field of higher (university) education it is advisable to distinguish as a separate scientific direction in the sphere or field (sector) of higher education. Authors propose to introduce a new scientific direction in the sphere or field (sector) of higher education with a new scientific term – "Innovatics of higher education" or "higher education innovatics". By definition, the theoretical foundations and practical provisions of the new scientific direction in the sphere of higher education – the **innovatics in higher education** has to include a complex of innovative changes in such inherent in higher education types of novative activities. The further development and improvement of the innovative scientific direction of higher education – the "innovatics in higher education" is also of interest and scientific sense.

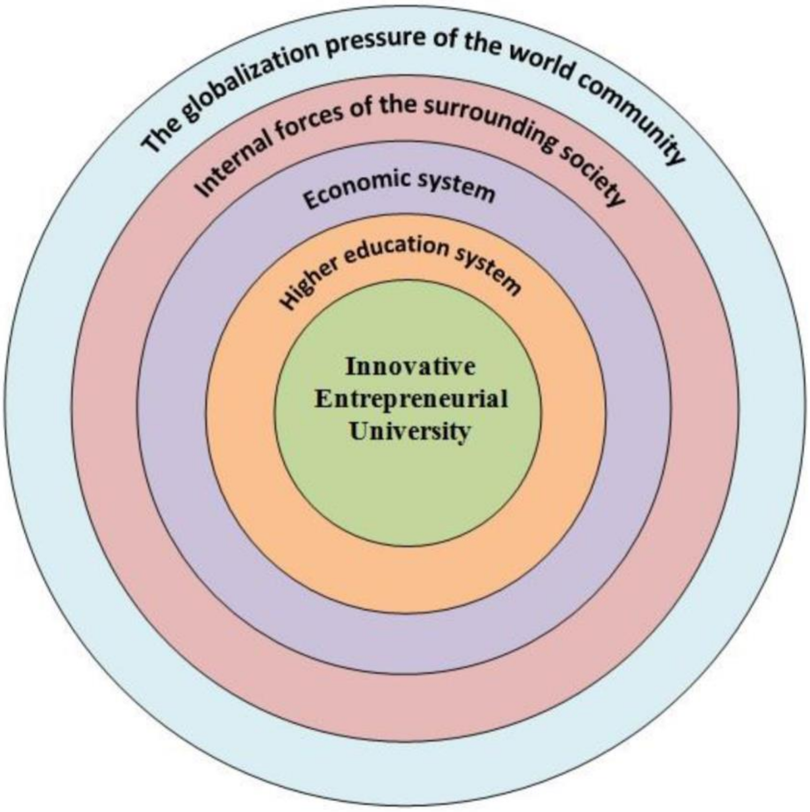

Fig. 4. *The innovative entrepreneurial university in the environment*

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Романовський О. О., Романовська Ю. Ю.

Інноваційність в університетній освіті як фактор стійкого розвитку України. Теоретичний підхід

Відомо, що стійкий розвиток - це підхід до економічного планування, який намагається сприяти економічному зростанню, зберігаючи якість навколишнього середовища для майбутніх поколінь.
Стійкий соціально-економічний розвиток суспільства передбачає прискорення та розширення підприємницької діяльності його членів. Академічне або університетське підприємництво – це прискорювач науково-технічного прогресу та інноваційного розвитку суспільства знань.
Показано теоретичні основи та практичні положення наукового напряму – інноватики вищої освіти, які можуть бути корисними для реформування національної системи вищої освіти України. Унікальна сутність (характеристика) вищої освіти економічно розвинутих країн світу полягає в тому, що вона є: 1) освітньо-виховним процесом – надання вищими навчальними закладами або науковими установами громадянам України нових знань (передача знань) і виховання в них необхідних для суспільства якостей; 2) процесом пошуку нових знань (наукова діяльність), прикладного використання знань і трансферу технологій (науково-технічна діяльність); 3) сферою людської діяльності та галуззю народного господарства; 4) відкритою освітньо-науково-культурною системою, що має свою будову, мету, характерні ознаки та принципи функціонування і яка існує та розвивається під впливом зовнішнього середовища (суспільства); 5) підсистемою (складовою) загальної системи гуманітарної діяльності суспільства; 6) двигуном інноваційного соціально-економічного розвитку суспільства.
Багаторічний досвід економічно розвинених країн світу засвідчує вирішальну комплексну соціально-економічну роль вищої освіти і науки в процесі розширеного відтворення, у т.ч. – відтворення виробничих відносин між людьми у цій сфері, властивих їй специфічних закономірностей, а також безпосередній вплив на економічне зростання суспільства.
Об'єктивними передумовами вирішальної комплексної соціально-економічної ролі вищої освіти в сучасному суспільстві є, по-перше, становлення системи освіти як самостійної та специфічної галузі народного господарства, що є чинником людського розвитку. По-друге, розгортання науково-технічної революції, що зумовила: 1) істотне розширення масштабів освіти та значне збільшення витрат на неї; 2) посилення впливу освіти на розвиток економічної теорії, економічних механізмів державного управління, темпи і якість соціально-економічного зростання, ефективність індивідуального, колективного і суспільного виробництва, диференціацію заробітної плати найманих працівників тощо; 3) ефективність індивідуального, колективного і суспільного виробництва, диференціацію заробітної плати найманих працівників, а також проникнення принципів, методів і механізмів ринкової економіки до сфери академічної діяльності, стрімка комерціалізація діяльності в освітній і науковій сфері, виникнення соціально-економічного явища «академічного капіталізму» та феномену академічного підприємництва.

Ключові слова: *стійкий розвиток; інноваційність в університетській освіті; інноватика вищої освіти; академічне або університетське підприємництво; інноваційний розвиток суспільства знань.соціально-економічний розвиток України.*

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