



3rd GLOBAL CONFERENCE on BUSINESS, ECONOMICS, MANAGEMENT and TOURISM,
26-28 November 2015, Rome, Italy

The System of Indicators for Indicative Management of a Region and its Clusters

Yulia Vertakova^a, Vladimir Plotnikov^{a,b,*}, Gilan Fedotova^{a,c}

^aSouth-West State University, 50 let Oktjabrja str., 94, Kursk, 305040, Russia

^bSaint-Petersburg State University of Economics, Sadovaya str., 21, Saint-Petersburg, 191023, Russia

^cVolgograd State Technical University, Lenin av., 28, Volgograd, 400131, Russia

Abstract

The turbulence in the economic environment leads to a decrease in stability of functioning of clusters and the regional economic system as a whole. This requires the development of effective management mechanisms based on the indicative approach, the central concept of which is an indicator. Despite concerted efforts by scientists and governmental bodies, the universal system of indicators for the management of regional cluster development remains underdeveloped. The research is based on the principles of dialectical logic, system approach to the analysis of economic processes, analysis and synthesis of theoretical aspects and empirical experience.

© 2016 The Authors. Published by Elsevier B.V. This is an open access article under the CC BY-NC-ND license (<http://creativecommons.org/licenses/by-nc-nd/4.0/>).

Peer-review under responsibility of the Organizing Committee of BEMTUR- 2015

Keywords: indicators; management; region; cluster.

1. Introduction

Current trends of cluster development of regions are constantly developing and becomes more complicated. Not only endogenous factors but also external ones influence on clusters of social, political, legal, ecological and other conditions. The turbulence growth of an economic environment leads to a decrease in stability of cluster functioning structures and a regional economic system in general. Therefore development of effective controlling mechanisms

* Vladimir Plotnikov. Tel.: +7-911-949-13-21.

E-mail address: plotnikov_2000@mail.ru

for counteraction to these negative tendencies is required. So, management in modern conditions emerges adaptive, anticipatory and strategic nature.

Objectively there is an increase of the state and government participation in the regulation of the economy and in the development management of the economic processes. Thus it requires review of public administration tools. And the special-purpose programs should be included in order to guarantee development goals on the basis of an indicative approach.

The analysis shows that up to date the development approaches to indicative management haven't been worked out methodologically. Therefore that emphasizes a subject point to a greater extent.

Such famous scientists as Frisch (1992), Tinbergen (1964, 1981), Kovacs and Dallago (1990), Mitchell (1935) and others made a major contribution to the development of the planning theory. Besides they proved the reasons for its prerequisites under a free market economy. In Russia founders of the theory of planning are Kondratieff (1984), Bazarov (1964), Kantorovich (1939). After that, many other scientists studied the origin, the development and practical application of public administration using the special-purpose programs as well as an indicative approach (Rostow, 1994; Solow, 1956; Zhikharevich, 2012; Paskus and other, 2015; Vertakova and Plotnikov, 2013 and other). Many other scientists were engaged in the development and studying of the mechanisms of separate element usage when dealing with strategic managing system.

The conducted research is based on the principles of dialectic logic and system approach to the analysis of the economic phenomena and processes; the analysis and synthesis of theoretical provisions and empirical experience of indicative management implementation in different countries. To achieve new scientific knowledge we applied the scientific sophistication approaches which are proved and widely used in modern scientific investigations: selection, distribution, comparison, generalization, forecasting, regression and correlation analysis, graphical description and performance analysis etc.

2. Indicative approach application in public administration

Meeting the challenges of a sustainable development requires that the public authorities carry out a reasonable, rational and effective long-term management activity aimed at an adaptive overcoming of the arising difficulties and the operational adaptation of governance to the changing situation. In this regard, traditional methods of forecasting, planning, managing and monitoring of the economy functioning are being relegated into the background, giving way to the new more productive management methods, such as special-purpose programs and project management on the basis of indicative approach.

Many countries are actively trying to implement an indicative management into management practice. These tools adapted for market conditions are performed by the indicative (from French "indicatif" – index) methods, supported by the creation of economic conditions in order that the organizations could adopt these governmental recommendations within the planning period.

Such type of planning has gained considerable development in a number of countries (France, Great Britain, Germany, China, Japan, Canada and the USA) and proved the efficiency as one of the instruments of state regulation under market economy. In industrially developed economy the state and the market aren't contrasted; besides the market mechanisms one can also find functioning of the self-regulation and regulation mechanisms and, first of all, indicative management should be mentioned

Such an approach was first proposed by the American economist (from Germany) Landauer (1944). According to this approach the government influences an economic development rather by means of coordination and providing with information, than by making decisions and issuing instructions. The state, relying on possibility of planning and economic regulation, should adjust the arising deformations and moreover it should periodically return the market relations in the mode of perfect competition; as for the economy it must be put in a dynamic balance position, and finally the subsistence level of consumption of the vulnerable social group should be up to acknowledged standard.

There is no precise definition of "indicative planning" (IP) or "indicative management". One of the first definitions of IP is given by the Italian scientist Dallago (1990). In his opinion, an indicative planning is a kind of macroeconomic planning and conscious activities of public administration, the purpose of which is to lead the national economy to the desired effect by maturity. Thus the constituted plan documents contain only general

Download English Version:

<https://daneshyari.com/en/article/980506>

Download Persian Version:

<https://daneshyari.com/article/980506>

[Daneshyari.com](https://daneshyari.com)