

The Algorithm of Development and Implementation of the Management Decisions on the Basis of Study the Stakeholders' Needs and Capabilities in the Region

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Abstract: This article studies the development and implementation of the management decisions on the basis of matrix, which allows analyzing the most actual needs and expectations of the stakeholders, who are involved in the formation and development of a social asset of the region. On the basis of the presented algorithm it is possible to develop a set of measures, targeted to solve the problems that need solutions which are the most acute in a particular region and meet the expectations of the maximum number of interest groups operating on the territory controlled by the authorities.

Key words: Territorial social assets • Social and corporative responsibility strategy • Stakeholders • Socially responsible events

INTRODUCTION

At each stage of the society development, there are some resources, which determine the level of comfort and the existence of the public system. At the early stages of the society development, such resources were exclusively natural resources, subsequently the quality of society life depended on the energy and the effectiveness of industrial goods. The development of material production and the invention of new tools and technologies have led to the fact that along with the traditional factors of production, the new ones – the intellectual capital and information appear [1]. In turn, the development of means of communication has led to an increase in the degree of influence and interaction of the different economy entities. Because of this, today, we can say that such categories as "good business standing", "social networks", "image" and others have begun to play a key role in the successful business as a separate economic entity, as well as in improving the well-being of region and the country as a whole [2].

At the present time we can say that, in addition to the conventional macroeconomic indexes of the regional development, we should rely on the development of the territorial social assets. The territorial social asset means the totality of all interactions and subjects' commitments,

aimed at the improvement and increase in a specific area of social responsibility. Social activity includes both officially registered interaction or obligation incurred by a specific organization and secured documents (agreements, treaties, statutes, etc.) and relationships that are informal, but nevertheless, bring obvious results (the attraction of additional resources and organizations to solve social problems). Social activity is the basis for cooperation and coordination of all the important industries in the region: the development of quality of housing and communal services, safe production, improvement of environmental conditions, etc. According to the definition, we can say that the development of human and territorial social asset can not rely only on the activity of a single economic entity and therefore, both the government and business and individuals incur liability for the results.

Assessing the significance of social asset as a strategic resource that is necessary for the successful development of a given area, it is important to understand that every interaction subject has its own ways of implementing responsibility to society and, consequently, its own expectations of realizing activities to build this resource (a kind of "percentage of social contribution"). The subjects, who are involved in the formation and development of a social asset in the region, may be [3]:

- Individual (citizen)
- Organization (profitable, non-profitable)
- Municipal authorities (MA)
- Regional public authorities (RPA)
- Federal authorities (FA).

Each of these entities has a social burden and specific requirements to the external environment. Here are some of them. The individual level is the base for the formation of socially responsible behavior of all subjects of public relations, because the certain people (or groups of individuals) make decisions on the basis of their own value systems [4]. The basic requirements of the society in relation to individuals consist of: law enforcement, the performance of its obligations, community service, the performance of accepted ethical standards, etc.

It should be noted that, depending on what social role this or that party does, in relation to other social subjects' asset, he or she has a different social responsibility. To the organization in relation to which he is an employee, for example, an individual incurs liability in a kind of qualitatively executable work obligations, compliance with the rules and regulations of participation in the life of the organization, etc. In relation to the state and municipal authorities, the responsible citizen incurs liability of a different order – in the form of fair taxation and an active social position, etc.

As the same extent as an individual can take part in the growth of the territorial social asset in a kind of social obligations, likewise, he or she has the right to expect and to fulfill expectations from the side of these social groups. From the side of organizations that are employers, the individual has the right to expect timely fulfillment of contractual obligations, ensuring a comfortable working conditions and recreation, the stability and the possibility of self-realization, participation of companies in ensuring the livability of the residential territory and etc. By state and municipal authorities, the citizen has a right to expect quality performance of measures, aimed at improving the level of comfort and life, faithful execution of commitments. It should be noted that individuals have a mutual social responsibility and rights in relation to each other. That is, the citizens have the right to expect from each other equally responsible behavior and performance of all obligations [5].

The organizations, being a variety of subjects of social and economic relations, can be non-profit and have as their main goal – profit (commercial organizations). The important thing is that nonprofit organizations are in fact,

on the one hand, the engine of social responsibility of business organizations (the non-profitable organizations are taking a more proactive stance and "encourage" businesses to the united development of social projects) and, on the other hand, - a derivative of the commercial organizations (noting that the non-profitable and community organizations are created with the participation of the economic entities). Despite the close interdependence, these kinds of organizations are based on different goals and objectives and, accordingly, the features in the implementation of social responsibility and expressing expectations in relation to other subjects, constituting a social asset territory.

Social responsibility of public authorities (federal and regional level), as well as municipalities, consists of initiation a territorial social asset growth and creation a comfortable business environment for entrepreneurs who are willing to sacrifice short-term economic benefit for the sake of a stable effect in the future, because mostly, it means the stabilization and sustainable business development. According to the level of government (state, region, municipality), administrative structures have mission to create the framework conditions that make social investments profitable for businesses operating in the territory under their control. In relation to each other social responsibility of these bodies is a quality and timely performance of their obligations and responsibilities.

Essentially, each of these entities, represented by the formation of a territorial social asset, is a stakeholder to the other. R.E. Freeman gave the basic definition of this concept and classified stakeholders (in English: Stakeholders – interested groups or circles). According to Freeman, stakeholder is a group (the individual), which may affect the achievement of its goals the organization, its work as a whole. David Kliland takes the stakeholders as the people (organizations) or groups of people who have, or believe that they have the legitimate claims in respect of certain aspects of the organization's activity [6]. The purpose of the interest may be to provide a personal interest, participation or interest in advance of project requirements, this goal can vary from informal interest fulfillment from participating in the project and to the issuing of legal claims.

In this case, we understand all stakeholders as the social group of people (or other organizations), whose contribution (work, capital, resources, purchasing power, the spread of information about the company, etc.) is the basis for the development of social assets in the region.

		Opportunities					
		Individual	Organization (profitable)	Organization (non-profit.)	SA (federal level)	SA (regional level)	MA (municipal authorities)
Expectations	Individual						
	Organization (profitable)						
	Organization (non-profit.)						
	SA (federal level)						
	SA (regional level)						
	MA (municipal authorities)						

The scheme is made by the authors on the basis of the example structured by Professor Kenneth Andrews. Abbreviations: SA (fed. lv.) - State authorities at the federal level; SA (reg. lv.) - State authorities at the regional level; MA - State authorities of the municipal government

Fig. 1: Matrix analysis of the stakeholders' "expectations / opportunities" in the region

In order to analyze the state of social asset in the region you need to gather information about the most actual needs and expectations of stakeholders in the region (the information is taken from official sources, through surveys, questionnaires, etc.). For convenience, all information can be organized and presented in the form of a matrix analysis of the stakeholders' "expectations / opportunities" in the region (Pic. 1).

The comparison of stakeholders' expectations and opportunities should appropriately be done on the basis of the principles and organization of information in the tables of the SWOT-analysis. This representation of information is useful for structuring information and learning about the most urgent requirements / expectations of each subject and comparing them with the opportunities, offered by the studied specific groups.

At the intersection of opportunities and expectations in each quadrant, inconsistencies are becoming more visible and apparent. For each graph "expectations", the level of importance is estimated for each of the region's needs and determined to achieve a certain level of performance to meet each of the requirements specified under study stakeholders. On this basis, for each quadrant of the matrix, it is analyzed the extent to which a given level stakeholders stated expectations and available opportunities in the region. Since each of the possibilities may be the problem or guide to action to meet the interests of each group. In the case of a match the

expected and actual level of satisfaction of the indicated interest, it's necessary to compile a list of activities to maintain a predetermined level. In cases where there are significant differences in terms of the desired and actually provided to stakeholders in the region should develop a set of measures aimed at achieving a given level. Please note that there is a possibility a complete lack of conformity. Consequently, there is a certain problem in the region and at the time of the study, no action in the direction of its decision isn't made (or are unobtrusive and low efficiency). In such a case it is necessary to conduct an additional collection of information on the subject of finding possible solutions and identify the best ways (tools) meet the stated expectations of stakeholders. As soon as these paths will be found to be re-evaluated on how they will meet the criteria indicators developed by the specified level. Thus, the matrix is constructed for each quadrant according to "basic solutions" (or a list of measures aimed at achieving a given level to meet the expectations of social groups).

It is important to take into account in the analysis of events affecting or potentially having the ability to affect the solution of these problems threats and how to neutralize them [7].

The information obtained is built into the schedule with specific tasks, activities, possible threats and ways of their prevention / elimination. The functionaries are appointed for the performance of the developed measures.

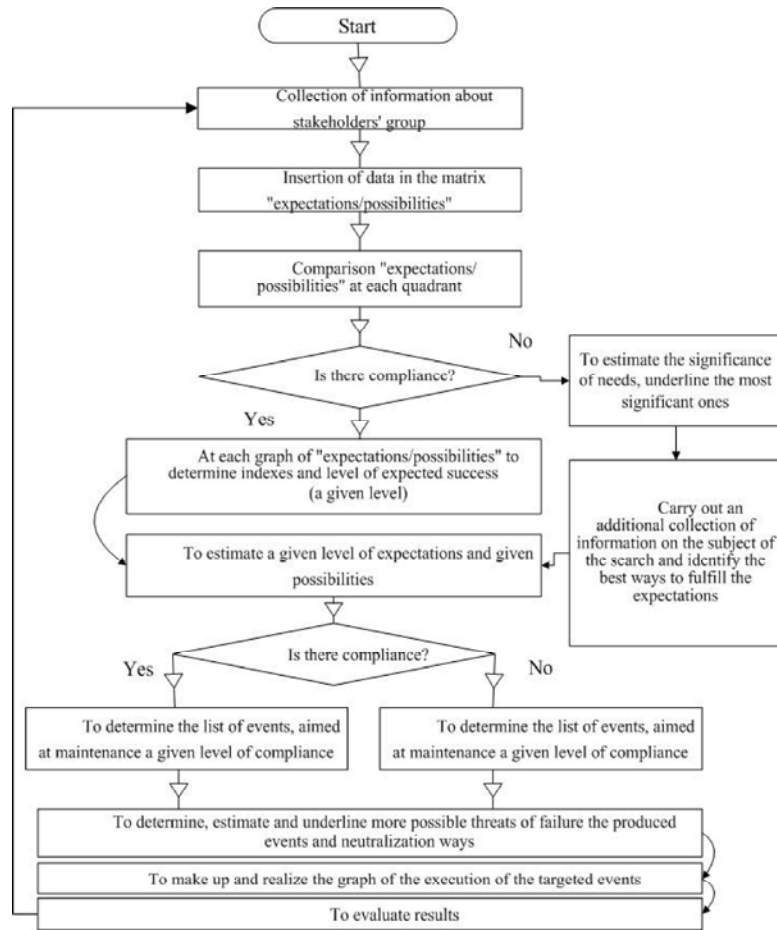


Fig. 2: The algorithm of the development and implementation management decisions, made on the basis of an "expectations / possibilities" matrix of the territorial social assets development

At the end of its execution, the information must be collected in order to monitor changes in the situation. The described sequence of actions can be represented schematically (Picture 2. The algorithm of the development and implementation management decisions, made on the basis of an "expectations / possibilities" matrix of the territorial social assets development).

Thus, each of the social groups, on the one hand, is the consumer of the produced social benefits. On the other hand, the efforts of these subjects, the conditions for sustainable development of the territorial social asset, the result of which is an increase the possibility of obtaining social benefits of stakeholders [8]. The solution to these problems is provided by the full involvement in the economy of labor, intellectual and creative potential of citizens and the development of local infrastructure [9]. It requires a thorough collection and analysis of information from all actors in the region involved in the creation and development of a territorial social asset.

In our opinion, the government and municipal authorities have the greatest potential for this kind of analysis. Since it is in their tasks include a facilitator and "referee" function, responsible for maintaining the relative symmetry of the development of all kinds of subjects of spatial economic relations area. Conditional symmetry means the commensurate with the level of development between the individual elements of the economic field, both functionally and structurally aspects. Institutional symmetry is fixed (by the institutional structure) and stable reproducible proportionality between the elements of the economic relations system, long-term maintenance of which leads to balance between the functional relationships and improvement the synergy effect of the production as a result of activities of the regional economic system [10]. Authorities are called to legalize and control the execution of the rules, organize and structure the activities of all other types of entities. Based on the analysis of the presented algorithm, a set of

measures can be developed. They are aimed at solving the problems that need solutions in a particular region in order to meet the most actual expectations of the maximum number of stakeholders operating in the territory controlled by the authorities.

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