

Estimation of Effectiveness of Region's Regulatory Bodies as Success Criterion of Creation of Territories of Innovative Development

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Abstract: The paper discusses the issues of creation of territories of innovation development which are the growth poles of the innovation economy. The author proposes to add to the existing approaches to the definition of the region's potential for creation of territories of innovative development the system of indicators of efficiency estimation of regional authorities, which is a main success factor of a project realization.

Key words: Territory of innovative development • Indicators system • Methodology • Rating, region • Growth pole • Innovation susceptibility • Science city • Technology implementation special economic zone • Regulatory bodies • Efficiency

INTRODUCTION

In terms of ongoing transformations the regional socio-economic systems are the structural and spatial elements which will be able to create the effective conditions for the creation of an innovative environment as a factor of innovative territorial development. Improvement of regional innovation policy is influenced by internal and external factors in relation to territory. Thus, new forms of territorial organization can be initiated at the federal level and in case that region will be going into the specialized programs and projects, it is possible if imposed requirements have been fulfilled and if specified criterion has been matched, can become a driver of outrunning innovation and economic territory growth. In the Russian Federation such projects are federal programs of the development of technology parks in high-tech industry, cluster initiatives, creation of science cities and special economic zones based on municipal districts.

Currently, in the Russian Federation have been created and are functioning 5 technical implementation special economic zones and 14 science cities. The initiatives to create of favorable economic zones, special economic zones at the regional level received regulatory consolidation in certain regions.

Such structures are territories of innovative development. They are territories with special economic status, enshrined special legal and tax regimes and

ensuring effective development of research and innovation, output of competitive innovation products (services).

Methodological approaches to regions assessment for creation within its boundaries the territories of innovative development have been prepared and approved under the current regulatory framework of federal and regional levels.

It is noted that the effectiveness of individual projects execution including receiving direct funding from the federal budget much lower than noted in the documentation submitted for competitive selection.

It is an obvious fact that the effectiveness of creation of territories of innovative development has a direct dependence not only from the level of socio-economic and innovative region development but also from the effectiveness of the team carrying out its execution.

Investigating questions of methodical evaluation of the effectiveness of regional management bodies is a topical question for the purpose of further improving of the selection criteria of regions for forming within their borders the territories of innovation development.

MATERIALS AND METHODS

The main methods used in the paper are the theoretical analysis, content analysis, social and humanitarian design and statistical analysis.

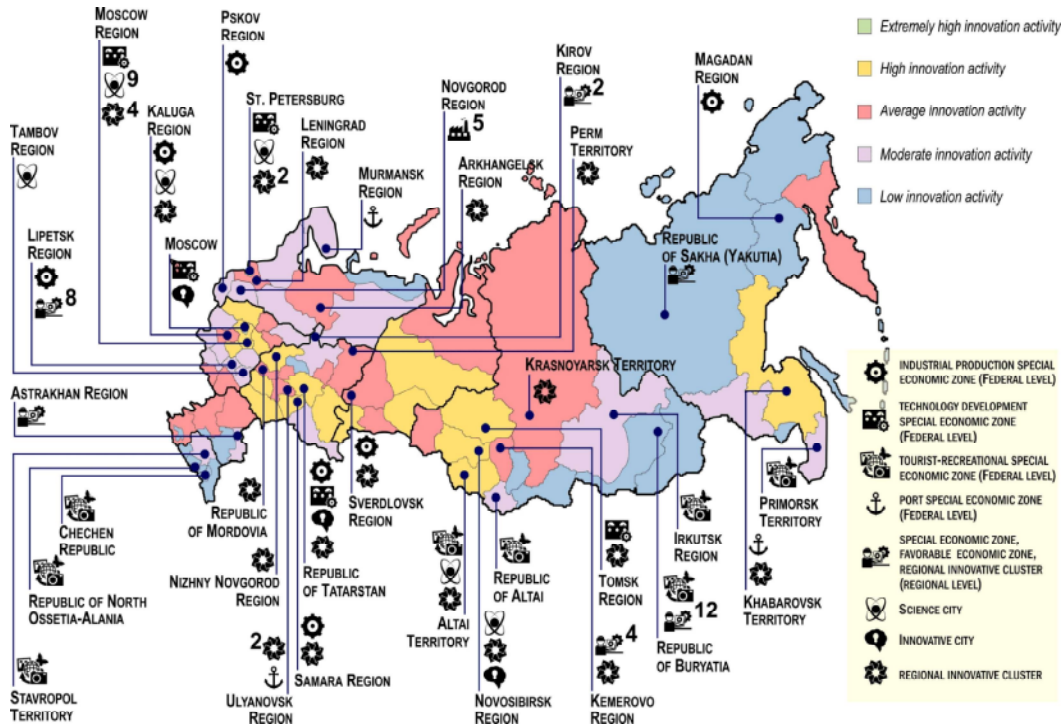


Fig. 1: Map of the Russian Federation's territories with a special status

The idea about irregular pattern of the territories with a special status in the Russian Federation was hypothesized in the study. On the basis of statistical analysis, we compared the level of innovative regions activity and availability of territories with a special status.

The confirmation of hypothesis about the incomplete connection between the rating of innovative region activity and created within its boundaries territories of innovative development is the map of the territories with special status (Fig. 1).

As you can see from the figure almost the half of the regions with high innovative activity does not have the territories with special status within its boundaries, in addition, in a number of federal subjects with moderate and low innovation activity there are such territories.

In Kapreeva's E.G. work [1] it is said that the leadership of regions in the ranking of innovation activity due to the active position of territorial authorities, the activity of which is aimed at attraction of investors, development of cooperation and innovation infrastructure, the creation of new innovative industries, the formation of a well-functioning rules and regulations for activities of innovation active enterprises.

Thus, in addition to having significant potential of the territory and ambitious plans for its innovative development the subject of research should be

opportunities of the project management team (region management team, municipality management team), confirmed by experience and qualification. There is the same criterion in Lurye's E.A. paper (administrative resource) [2] and Ivanov's V.V paper (supporting of innovative development from the authorities) [3].

DISCUSSION AND RESULTS

The author proposes a method of estimating region capacity (municipality) on the formation of the territory of innovation development based on the system of quantitative and qualitative indicators, including besides the determination of the level of socio-economic and scientific-technical region potential and the level of innovation society susceptibility the potential of the project management team and territory authorities as a main factor of project success.

Currently evaluation of regional management authorities carries out in accordance with the results achieved by a territory and indicators of socio-economic development [4], which mostly consists in evaluation system of the potential for the creation of the territory of innovation development. Such an evaluation involves a number of systemic problems that described in Zinchenko's I.Y. [5] paper:

- Complexity of the objects of managerial causes the difficulties in identifying reliable indicators of the usefulness of different management decisions;
- Impact of factors of environmental change on possible estimated results of work of state and municipal employees, therefore it is difficult to gain an objective basis of assessments;
- Lack of orientation of analytical and forecasting administrations services to identify the causes and consequences of managerial decisions;
- Insufficient involvement of external experts to estimation procedures.

In studies of foreign authors there are a variety of instructional approaches to the assessment of regional management authorities. So, Zeedan R. [6] includes indicators of the effectiveness of local authorities in a scorecard, as well as qualitative indicators of improvement in the economic and social spheres.

It is proposed to estimate efficiency of the authorities in Malaysia mainly relying on quantitative indicators of ensuring urban development, construction, municipal services [7].

The approach of determination of the effectiveness of governance developed in the framework of the Organization of Economic Cooperation and Development SIGMA is in estimation of reforms progress in comparison with the initial state [8]. Particular method provisions were considered in the investigation, however, they were based only on the qualitative indicators of activity of administrative bodies determined using a tool of expert assessments. Proposed system does not fully meet the requirements of assessing the potential of regional management bodies on the execution of the territory of innovative development project.

Nagimova A.M. allocates two models of governance evaluation which are the productive model and cost-based model [9]. Obviously, for research purposes it is productive model should be the basis of assessment of regional authorities, which provides an opportunity to identify their potential for execution of the territory of innovative development's project within the boundaries of the region.

In Terekhin's I.V.'s, Dukanova's V.I.'s [10] paper there are developed approaches to assessing the effectiveness of municipalities management based on

post-bureaucratic model of government, which formed the basis of the proposed author's approach of the evaluation of regional management bodies, causes the capacity for creation of the territory of innovative development.

It is proposed to carries out a quantitative assessment of the effectiveness based on the indicator set of the Terekhina's I.V, Dukanova's V.I. method [10]:

- Indicators of implementation and functional discipline of management bodies;
- Operating (functional) management effectiveness;
- Indicators of development's management effectiveness;
- Quality control indicators.

The feature of the method is the system of growth and increase calculating of socio-economic development of the territory. Within the social and humanities design of the territories of innovative development have been allocated their functions, which are the basis for their design.

For the purposes of the study it is proposed to use indicators of social components including the characteristics of the region population's life quality - a main target of the operation of regional authorities as estimate indicators. In accordance with the methodology among these are:

Health Protection Level:

- Life expectancy at birth;
- Maternal mortality;
- Availability of health care institutions.

Social Standard of Living:

- The gross regional product per capita;
- Consumer price index;
- The ratio of per capita income to the subsistence level.

Security Level:

- The number of recorded crimes;
- Capital investments aimed at environmental protection and rational use of natural resources.

Population Income Level:

- The average per capita income of the population;
- Gini indicator.

Employment Rate:

- The unemployment rate;
- The proportion of new jobs created in their total number.

It is additionally proposed to assess the effectiveness of regional management bodies on the following criteria:

Quantitative Indicators:

- Profitability of personnel in the area of public and municipal management - GRP ratio to the average number of employees in the area of public and municipal management for the period;
- Staff efficiency ratio - the ratio of growth of budgetary efficiency to the growth of average annual number of employees in the area of public and municipal management for the period;
- Personnel skill level - the proportion of workers with higher education in the area of public and municipal management for the period, the proportion of workers improved their skills in the area of public and municipal management for the period;

Quality Indicators:

- The level of ICT in the activities of regional governance, including the development of specialized software;
- The level of application of advanced scientific management methods;
- The level of research work carried out with the participation of regional management and aimed at improving and enhancing the effectiveness of their activities;
- The level of implementation of research results in practice in the area of state and regional management;
- Assessment of the quality and timeliness of regional and municipal services;
- The level and timeliness of satisfaction of the population requests, directed through the public reception.

It is proposed to assess the qualitative criteria using expert panels on a scale from 0 to 5.

It is proposed to determine the effectiveness of regional management bodies by rate setting of the calculated indicators and implement a ranking of regions by a combined indicator that should be determined as the cup product of the normalized indicators. If the integral indicator is in the first third of the rating it means that there is a real possibilities of efficiently implement the project of creating of innovative territory.

An additional main factor in assessing the possibilities for creating the territory of innovative development will be the potential of project management team that carried out only by the expert method. The source of information should be a CV of the team as a whole and its individual members, containing the education, skills, background of business career, experience of successful projects in the area of innovation and (or) regional (municipal) government. Team CV should be enable to make an assessment of team coherence, lack of personal contradictions and effectiveness.

According to the author, the negative estimation of the management team which doing the creation of the territory of innovative development could not be the reason for the project execution, thus necessarily requires a revision of main players and the reorganization of the team, including among other things with using the assembly technology of subjects [11].

CONCLUSION

The author's method is a part of a comprehensive methodology for estimating of regions potential for the purpose of creation within their boundaries the territories of innovative development and cannot be used separately. At the same time it can be the basis for the development of individual methodological approaches for estimating of regional administrations regarding the possibility of realization of complex projects of territorial development supported by the federal government.

Preliminary assessment of potential participants in the project execution and the level of regional management in general will provide an opportunity to significantly reduce the risks of the inefficient project execution and budget spending at all levels.

Currently the indicator approach is being implemented to assess the effectiveness of the executive bodies of subjects of the Russian Federation requires modifications and additions with due regard to changing

requirements of the external environment and new scientific approaches. Formed methodology should consider relationships between the system indicators and avoid duplication, include in addition static indicators, performance indicators, as well as the group of relative indicators of efficiency.

It is necessary to introduce of differentiation in the evaluation method of regional authorities based on the existing potential of territories and obtained results for prior periods and introduce of soft indicators and criteria for the territories with a predetermined low level of development.

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