

## **WAYS TO ENSURE THE SOCIO-ECONOMIC DEVELOPMENT OF THE NATIONAL ECONOMY IN THE CONTEXT OF REFORMS IN UKRAINE**

An effective system of public administration in Ukraine is one of the main factors accelerating the pace of development its national economy development, overcoming crisis situations, solving social problems in a shortage of material and financial resources. That is why the stable socio-economic development of the national economy and success of reforms in Ukraine must be based primarily on a large-scale, rapid and timely updating of the content of public administration through innovative development. Under these conditions, effective implementation of innovation activity by public authorities in the context of reforms should become the basis for socio-economic achievements and development of national economy of Ukraine creating the preconditions for European integration. So especially relevant for Ukraine in the conditions of reforms there is a justification of ways of socio-economic achievements and development of its national economy.

At the present stage of development of Ukraine for accelerating the pace of socio-economic development of national economy come to the fore tasks for the development and implementation by public authorities of innovative tools and technologies that will provide effective innovation and activity in general. To solve this problem, it is advisable to focus on the organizational regulation of innovation of public authorities, rational use of socio-economic potential of Ukraine (especially – the potential of united territorial communities), creating a favorable innovation environment in the system of public authorities.

Ukraine, of course, has the potential for innovative development, but so far there are significant obstacles for our country to take first place in international indices in the field of innovation [1–2]. Among the main obstacles conducting an effective innovation policy in Ukraine is: instability of political and operational spheres; imperfect regulatory framework in the field of stimulating and supporting innovation; inefficient institutional support for innovation in government; insufficiently effective personnel policy to reduce staff resistance to innovation in government; insufficient level of motivation of government staff to acquire and apply new competencies in the field of innovation, etc. Therefore, there is a need for thorough research and deepening theoretical aspects of ensuring effective innovation of public authorities as a basis for ensuring the socio-economic development of national economy.

Reforms of society and its separate spheres, which are actively implemented in Ukraine, should be comprehensive, and their effectiveness will depend on the effectiveness of innovation processes in the activities of public authorities.

In this context, it should be noted that without the introduction of appropriate innovations in the system of public authorities (for executive bodies of local self-government of united territorial communities – innovations in the management of socio-economic potential of the territory), which are especially necessary in terms of reforms, will not be able to provide qualitative public services to the population of the country, as well as to achieve a high level of social development and build a civil society in Ukraine. Innovation will help build a country with a strong central government and self-governing affluent communities.

It should be noted that the use of an innovative tool, management technology, approach to management, form, method of work of public authorities in practice should be based not only

on the accumulated world experience and available financial resources, but also on the peculiarities of their work that will ensure the effectiveness and efficiency of innovation by public authorities. Thus effectiveness of innovative activities of public authorities means the creation of favorable conditions for sustainable development of national economy in accordance with the strategic goals and objectives of the state with minimal costs for these activities by improving the work of public authorities (e.g. use of one or another innovative tool, management technology, approach to management, form, method of work of authorities).

Therefore, based on the above-mentioned, it should be noted that the implementation of innovative activities of public authorities, its quality and effectiveness are related to a set of conditions and requires proper provision: regulatory, personnel, scientific and methodological, information and communication, financial and motivational.

Among the key ways of socio-economic achievements of the development of national economy based on ensuring effective innovative activity of public authorities, it is expedient to allocate the following:

1) implementation of innovative personnel policy by public authorities during the implementation of their activities. In the context of reforms in Ukraine, effective innovation of managers in government at all levels depends not only on compliance with formal instructions and academic knowledge, but also, above all, on the presence of strategic vision, leadership, openness to innovation and willingness of public servants to learn daily to introduce these innovations in government. In the process of innovation, public authorities should implement a personnel policy that will allow the formation of the necessary professional competencies of public servants (eg, civic competencies) and reduce their resistance to innovation by accelerating their readiness for these innovations. Therefore, civic knowledge (basics of integrated knowledge about human rights, democracy; about the principles of civil society, features of innovation as a basis for sustainable socio-economic development of the country in terms of reforms, about the basics and technologies of working with the public in public administration); mindskills (ability to apply democratic innovative technologies of decision-making, project management, ability to orientate in modern socio-political life, communication skills, etc.); civic values, that characterize them as citizens of Ukraine and patriots. It should also be emphasized that the implementation of innovative personnel policy of public authorities should be based on the management of professional competences of public servants by assessing the level of these competences (using the scale and integrated indicator of professional competences, etc.) and improving the competences of employees using various methods and forms of professional training, advanced training, self-education, etc. In addition, it is mandatory to increase the level of motivation of public servants to acquire and apply new competencies in the implementation of innovative activities. To assess the state of readiness of public servants to carry out innovative activities, it is advisable to use certain criteria, which are justified by the authors in the study [3]. This will reduce the resistance of public servants to innovations and accelerate the process of implementing these innovations in the work of public authorities;

2) the use of modern information and communication technologies by public authorities during the implementation of their innovative activities. In the process of carrying out innovative activities by public authorities in order to improve the quality of public services should be mentioned the use of modern information and communication technologies. This is due to the fact that the application of these technologies is a necessary condition for the transition to «e-government» as a basis for building an information society in Ukraine, as well as the application of these technologies in the system of professional training of public servants (for example, e-learning, Smart-technologies, etc.) which allow to ensure a high level of professional mobility of an employee, in particular, for the rapid acquisition of necessary competencies during the implementation of innovations and, if necessary, his/her retraining. In addition, the active use of information and communication technologies by the authorities will lead to an opportunity to provide relevant and timely information to businesses in Ukraine just when it is needed, to provide it concisely, in an understandable form, to explain the goals. All this, of course, will contribute to positive changes in Ukraine's economy;

3) introduction of managerial innovation public authorities on the basis of changes in the paradigm of territorial management. Today, a separate area is increasingly seen as a business object and economic product, which leads to the widespread use of business planning tools. At the intersection of these trends, new management innovations are emerging: marketing of territories, logistics tools, image-making, branding of the territory, etc. This is especially important in the context of reform of decentralization of power in Ukraine for executive bodies of local self-government of united territorial communities, when it is necessary to increase the capacity of these communities on the basis of innovative approaches to managing socio-economic potential of their territories;

4) increase financial capacity of public authorities based on intensification of their project activities (development and implementation of regional development, projects, grantwriting, etc.). The world experience of the developed countries has shown that the most effective methodology for implementing innovations is the project management methodology. Given the subsidies of local budgets in Ukraine, the authorities should develop and implement projects using the support of international organizations and foundations (international scientific and technical assistance). It should also be noted that it is important for authorities to implement innovative projects to intensify their interaction with Euroregions, which also contribute to the implementation of project activities in Ukraine. Thus, the intensification of public authorities in relation to the development and implementation of various projects will allow them not only to solve urgent problems on the territory of Ukraine on the basis of attraction of donor means of various international organizations and funds, but also to increase your financial capacity. This, in turn, will help reduce the financial burden on the state budget (reducing the amount of subsidies to local budgets and the budgets of united territorial communities by the state) and will contribute to greater state support for the real sector of economy;

5) strengthening the institutional support of innovation in public authorities on the basis of creating effective institutional units in the field of innovation, in particular, the office of innovation [supplemented on the basis of [3]]. The importance of creating such units in authorities, subordinated to the general goals of reforms in Ukraine, is due to the lack of special structures responsible for the innovative development of the country at the state, regional and local levels. In addition, the organizational structure of government that regulates innovations in Ukraine is characterized by the lack of a clear link between both levels of government and between functional units. In the developed countries of the world, there is a tendency to create and develop an innovation infrastructure that fully supports innovation in government at all levels of government. That is why in Ukraine, in order to strengthen the institutional support of innovation in public authorities, as well as coordination and support of their innovation, it is necessary to create such an institution as the office of innovation. Creating an office of innovation in Ukraine will not only coordinate and support their innovation, but also streamline their management, rational use of socio-economic potential of the state and, consequently, create a favorable innovation environment in the country.

Based on the above-mentioned, the connection between the process of achieving sustainable development of national economy and the process of ensuring effective innovation of authorities is based on the effective public administration (effective innovation processes in the system of public administration) to ensure sustainable socio-economic development of national economy).

So, the paper suggests the key ways of socio-economic achievements and development of national economy of the country based on ensuring an effective innovative activity of public authorities, which will allow to achieve high social development of Ukraine in conditions of reforms. The author's approach to ensuring the effectiveness of innovation by public authorities, in contrast to the existing one, focuses on: implementation of innovative personnel policy, which will form the necessary civic competencies of public servants and reduce resistance to innovation by accelerating their readiness for these innovations; the use of modern information and communication technologies, which will accelerate the transition to a full-fledged «e-government» and increase the level of professional mobility of employees during innovation; introduction of managerial innovations by the authorities (territory branding, etc.), which will increase the capacity

of local communities and reduce the deficit of local budgets; intensification of project activities of the authorities by developing and implementing innovative projects with the involvement of international funds, which will not only solve urgent problems of country's development, but also reduce the financial burden on the state budget and stimulate state support for the real economy; to strengthen the institutional support of innovation in government through the establishment of an office of innovation, which will increase the efficiency of coordination and support of these activities and create a favorable innovation environment in Ukraine.

## References

- 1 Global Innovation Index (2019) [Электронный ресурс]. – Режим доступа : [https://www.wipo.int/edocs/pubdocs/en/wipo\\_pub\\_gii\\_2019.pdf](https://www.wipo.int/edocs/pubdocs/en/wipo_pub_gii_2019.pdf). – Дата доступа : 18.08.2020.
- 2 Innovation Index Bloomberg 2019 [Электронный ресурс]. – Режим доступа : <https://www.sfii.gov.ua/bloomberg-2020/>. – Дата доступа : 12.08.2020.
- 3 Shumskaya A. Conceptual foundations of innovative activity of public authorities as a basis of socio-economic development of Ukraine / A. Shumskaya // Economy and Society. – Issue 18 – Mukachevo : Mukachevo State University, 2018 – P. 432–442.