

EVALUATING THE EFFICIENCY OF IMPLEMENTING THE STRATEGY OF SOCIAL AND ECONOMIC DEVELOPMENT OF THE REGION

© 2010 K.Y. Egorov*

Keywords: strategic planning, evaluation, region, strategy, efficiency, repulsiveness, strategy implementation management.

The article considers the ways of evaluating the strategy of social and economic development of the region based on evaluating the results of implementing the strategy and evaluating the management of its implementation that allows to increase the efficiency of the regional executive bodies in making strategic managerial decisions.

The modern practice of regional strategic planning proves the positive tendencies of its use for solving the social and economic problems of the territories, all this contributes a lot to overcoming the crisis and structural modernization of regional economy. The central moment for all transformations in the region is establishing the conditions that provide high level and quality of life. However it is early to talk about the efficient mechanism of implementing the strategies in the region. There is no any monitoring system necessary for evaluating the efficiency of strategy implementation.

In economic literature efficiency is treated as the combination of the received results and the necessary costs. However it is not always possible to take into account all the possible costs. The received results can have the qualitative characteristics and this complicates the efficiency of implementing the strategy of developing the region by the above mentioned method. The level of efficiency can be shown by achieving the set aims, accomplishing the events, in a certain level of legal, organizational and financial support of implementing the strategy of region's development.

The following parameters are used as the main criteria of evaluating the efficiency of implementing the strategies of region's development:

- ◆ the dynamics of the main indices of social and economic development of the region for the period of implementing the strategy;
- ◆ changing the level of social and economic development of the region in comparison to the other subjects of Russian Federation;
- ◆ achievement degree for the period of implementing the strategy of the main indices of social and economic development of the region

whose targets are anticipated in the framework of strategic document;

- ◆ the degree of accomplishing the planned events;

- ◆ providing the legal, organizational and financial support for accomplishing the strategic tasks.

The formula of calculating the index of the efficiency of implementing the region's strategy is suggested:

$$I_{eff} = \frac{0,8 \cdot I_r + 0,2 \cdot I_y}{2},$$

where I_r - evaluating the results of strategy implementation; I_y - evaluating the management of strategy implementation.

$$I_r = \frac{i_s + i_p + i_y}{3},$$

where i_s - evaluating the degree of achieving the strategic aims and accomplishing the tasks; i_p - evaluating the degree of accomplishing the planned activities; i_y - evaluating the change in the level of social and economic development of the region.

$$I_y = \frac{i_n + i_o + i_f}{3},$$

where i_n - evaluation of legal support of strategy implementation; i_o - evaluation of organizational support of strategy implementation; i_f - evaluation of the financial support of strategy implementation.

The following summaries of evaluating the efficiency of implementing the strategy for the reported period are represented according to the value of the integrated index:

- ◆ nonefficient implementation of strategy $0,5 \geq I_{eff} \leq 1,1$;

* Kirill Y. Egorov, post-graduate student of Samara State University of Economics. E-mail: kid-dik@list.ru.

- ◆ adequate implementation of strategy
 $1,2 \geq I_{eff} \leq 1,8$;
- ◆ efficient implementation of strategy
 $1,9 \geq I_{eff} \leq 2,5$.

In general this aggregated index characterizes the quality of regional strategic management.

The developed and represented way of implementing the efficiency of the strategy of social and economic development of the region has a practical orientation and can be used by the power bodies of Russian Federation subjects while putting into life regional strategies. The developed methodical recommendations enlarge the tools of evaluating the processes of

regional strategic management, contribute to increasing the efficiency of executive regional bodies in making strategic managerial decisions.

Egorov K.Y. The analysis of the institutional basis of the process of regional strategic planning in Russian Federation // *Vestnik of Samara State University of Economics*. Samara, 2008. № 8 (46).

Big economic dictionary / ed. by A.N. Azrilian. 4th edition. M., 1999; *Gaponenko A.L., Pankrukhin A.P.* Strategic management: studybook. M., 2006; National economics of Russia: potentials, complexes, economic security / V.I. Volkov and etc.; ed. by V.I. Lisova; Federal service of taxation policy of RF; Academic taxation policy. M., 2000; *Raizberg B.A., Fatkhutdinov R.A.* Economics management: studybook. M., 1999.

Received for publication on 27.08.2010