

Regulation of Integrated Social and Economic Development of Regions through Program Target Management Methods

Ardaktygul Nurzhauovna Zhanbyrbayeva¹, Gulashar Zharmagambetovna Doskeyeva¹, Raushan Zhenisovna Bekova², Altynbek Koshkarbaiuly Moshkalov³, Sungat Ualyhanuly Toktassynov¹

¹T. Ryskulov Kazakh Economic University, 55 Zhandossov Street, 050035, Almaty, Kazakhstan

²Turan University, Satpaev 16-18-18a, Almaty, Kazakhstan

³Kazakh National Pedagogical University named after Abai. 13 Dostyk Avenue, 050010, Almaty, Kazakhstan
aika-83@bk.ru

Abstract. The regulation of social and economic development of Kazakhstan regions through methods of program target management at national and regional level is studied. The basic problems of the regions of Kazakhstan and ways to manage the development of territories are defined. Structural model of regulation of social and economic development through methods of program target management is elaborated being a scientific novelty.

[Zhanbyrbayeva A.N., Doskeyeva G.Zh., Bekova R.Zh., Moshkalov A.K., Toktassynov S.U. **Regulation of Integrated Social and Economic Development of Regions through Program Target Management Methods.** *Life Sci J* 2013;10(12s):612-615] (ISSN:1097-8135). <http://www.lifesciencesite.com>. 100

Keywords: Regional development, program target method, strategy, management.

1. Introduction

In today's economic reform the direction focused on the implementation of socio-economic development becomes particularly important, requiring application of strategic planning, forecasting, and program target management. Selecting priority areas of program target impact, mechanisms of their implementation and controls one of the issues of sustainable socio-economic development of the region.

Analysis of recent publications on the issue. Methodological and practical foundation in program target management and regional development was laid by studies of such scholars as I. Ansof [1], A. Kolomytseva [2], B.D. Motoryhin [3], G. Wright [4], D.M. Stechenko [5], A.I. Chystobayeva [6] and others. Among Kazakhstan these issues were studied by: F.G. Alzhanova [7], O.Sabden [8] and others.

Setting of research objectives. The objectives of the article are the following: ground working of sequence and models of program target management of socio-economic development of the region; analysis of the levels of program target management of socio-economic development of the Republic of Kazakhstan; and the identification of priority regional problems requiring program solutions.

2. The main results of the study

The region is a subsystem of social and economic complex of the country, its independent part with a complete cycle and forms of the development of phases of displaying and characteristic features of social and economic

processes [2]. Regional economy as a subsystem of social and economic system of the country has many characteristics of the overall system. Therefore, research of the laws of processes in the regions of the country and development of mechanism to manage the is needed [9].

The goal of socio-economic study is generally to bring about socio-economic development, usually in terms of improvements in metrics such as GDP, life expectancy, literacy, levels of employment, etc. Causes of socio-economic impacts are, for example, new technologies, changes in laws, changes in the physical environment and ecological changes [10].

Strategic planning is an organization's process of defining its strategy, or direction, and making decisions on allocating its resources to pursue this strategy. In order to determine the future direction of the organization, it is necessary to understand its current position and the possible avenues through which it can pursue particular courses of action [11].

Forecasting is the process of making statements about events whose actual outcomes (typically) have not yet been observed. Prediction is a similar. Risk and uncertainty are central to forecasting. Economic forecasting is the process of making predictions about the economy. Forecasts can be carried out at a high level of aggregation - for example for GDP, inflation, unemployment or the fiscal deficit - or at a more disaggregated level, for specific sectors of the economy or even specific firms [12].

The system of management techniques of

socio-economic development of the region consists of organizational, legal, economic, propaganda and special methods, which include program target management method, which can be determined as a complex of ways, means and tools to influence government through the application of strategic plans, programs and projects on social and economic development of the region.

Accordingly, the regulation of social and economic development of the region through the methods of program target management is a system of research and methodological means, providing problem-solving of inter-sectorial and inter-regional nature and is associated with long term planning of socio-economic development of the country and its regions. Planning model can look like this: an analysis of the object of management and environment – trends' forecast and their possible development - the purpose of management object development – development and analysis of alternative strategies - selecting the right strategy [5]. The objects of socio-economic development of the region are: the development of branches of regional economy - agriculture, trade, mining and manufacturing industries; demographic evolution, human and labor market development; development of transport infrastructure and housing sector, development of science and innovation; development of social infrastructure - education, culture, public health; development of cross-border cooperation and tourism.

Authority of Socio-economic Development of the Region unites the development of all territorial entities within the region and cities of regional importance. At studying of regional development and defining the strategy and programs of socio-economic development of the region, one should follow the following sequence:

- research of interests of the local community (defining the parameters of the problem, grounding the significance and complexity of the problem, determining the profile of the problem and its scope, justification of resource and technical possibility to solve the problem through programs);

- analysis of the problem and the ways to solve it (SWOT-analysis, TOWS-analysis, PEST-analysis of regional economic development and development issues);

- allocation of the problem into its constituent elements;

- setting goals and objectives of regional economic development, identifying issues within individual goals and ways to achieve them (the main requirements are (requirements «SMART»): S (specific) - specificity; M (measurable) - measurability; A (achievable) - accessibility; R (realistic) - realism;

T (timed) - certainty over time [13];

- identification of priority measures for achieving the tasks and objectives and expected outcomes of development programs; formation of resources for implementation of the measures (financial, material, labor, time resources);

- development of management structure, authority and responsibility of officials for the implementation of measures and achievement of objectives;

- realization and monitoring of the implementation of the planned measures of the program; audit and estimate of efficiency of the program by comparing results with objectives and initial problems that were / were not solved in this program.

The structural model of regulation of social and economic development of methods of program target management is shown in Fig. 1.

We can define the following levels of formation of strategies and targeted programs of socio-economic development:

- state (definition and implementation by the state of priority programs to promote regional development and sectorial programs to solve regional issues, affecting some aspects of the regional economy- industry, business, agriculture);

- regional (formation of complex strategies and programs to support the economy, social sector, infrastructure at the level of regional governments and local communities).

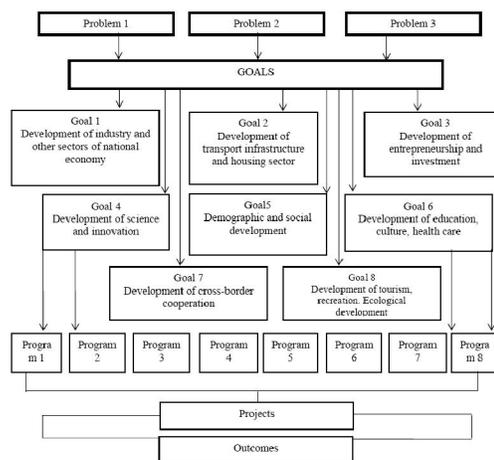


Figure.1 -Structural model of regulation of social and economic development through the methods of program target management*

A set of hierarchical levels of regulation of social and economic development through methods of program target management applied in Kazakhstan is presented in Table.1.

According to the ranking of socio-economic

development of Kazakhstan regions conducted by research agency "Rating KZ" three regions of the country are identified:

1) leading regions-Astana, Atyrau oblast, Almaty, Aktobe, Mangistau, Pavlodar oblast (ranked accordingly);

2) regions of average indexes -West Kazakhstan, Karaganda, Almaty, Kyzylorda region;

3) regions-outsiders-East Kazakhstan, Kostanai, North Kazakhstan, Akmola, South Kazakhstan and Zhambyl region.

Table 1. Hierarchy of the levels of program target management of socio-economic development of the Republic of Kazakhstan

Levels of management	Type of project document	Name
State	Strategies of state development	Development Strategy of the Republic of Kazakhstan to 2030 of 1997 [14]
	Strategic plan of state development	Strategic Development Plan of the Republic of Kazakhstan to 2020 adopted by the President of the Republic of Kazakhstan №922 of February 1, 2010 [15]
		Strategy of Industrial and Innovation Development of Kazakhstan for 2003-2015 approved by the President of the Republic of Kazakhstan №1096 of 17 May 2003 [16]
	Programs to support the sectors of economy	State Program of Education Development of the Republic of Kazakhstan for 2011-2020 adopted by the President of the Republic of Kazakhstan №1118 of December 7, 2010 [17]
		National Program of Health Care of the Republic of Kazakhstan "Salammaty Kazakhstan" for 2011-2015 adopted by the President of the Republic of Kazakhstan №1113 of November 29, 2010 [18]
State Program on Forced Industrial-Innovative Development of Kazakhstan adopted by the President of the Republic of Kazakhstan №958 of March 19, 2010 [19]		
Regional	Programs of regional development	Development Program of Atyrau oblast for 2011-2015 [20]
		Development Program of the territory of the West Kazakhstan region for 2011-2015 [21]

Choosing the priorities and objectives of socio-economic development of the region, defined by additional mobilization of resources depends on the "bottlenecks" of the structure of the regional economy. By carrying out the analysis by regions of Kazakhstan we have identified the most thorny problems of the abovementioned territories that require program intervention and selection of priorities calling for the intensive long - term planning. These problems to be put at the forefront of regional development.

In regions-leaders it's necessary to focus on large-scale program and target support of specific areas of development. In particular, in the Aktobe region number of bed sin hospitals and the provision of highly qualified teaching staff is problematic. In Atyrau region there are problems of innovative product development, availability of highly qualified teaching staff and the cost of living. In Mangistau region problems of manufacturing of agricultural products, innovative product development exists.

In regions of average indexes, the goals should be focused on the important strategic directions of development. In particular, Almaty region needs to respond in the areas of gross regional product per capita, manufacturing industrial products,

innovative product development, average wage, subsistence level. West Kazakhstan region has good cumulated measures in the economic sphere, but needs the entrepreneurship support to be improved.

The outsider regions require complex extensive support for most of the target directions of the development. In Akmola region a prompt intervention is needed in the domains o GRP per capita, industrial output, investment in fixed assets, the number of SMEs, demographic processes, the volume of goods, outbound tourism and self-employed people. West Kazakhstan region is characterized by in sufficient development of innovative products, providing with highly qualified teaching staff. South Kazakhstan region is characterized by problem of GRP per capita, industrial output, the volume of goods, outbound tourism. East Kazakhstan region requires intervention in the following issues: investment in fixed capital, population growth, crime, mortality from diseases, subsistence level, outbound tourism, maintenance of housing.

3. Conclusions

Analyzing the above, it can be concluded that the main causes of failure in the implementation of regulation of social and economic development of the region through methods of program and target management are the lack of a clear ranking of issues by priority, identifying resources for management, adjusted mechanism for implementation and monitoring of the program, effective and efficiently location of financial resources, target complex programs combining certain sectorial programs and efficient governance, which may be the prospect for further scientific research.

Corresponding Author:

Dr. Zhanbyrbayeva, T. Ryskulov Kazakh Economic University, 55 Zhandossov Street, 050035, Almaty, Kazakhstan

References

1. Ansoff I. 1989. Strategic management. M.: Economy, p.519.
2. Kolomitseva A.V. 2010. Reproduction approach to the formation and management of a regional complex in the structural transformations. Sustainable economic development, № 2: p.75.
3. Motorygin B.D. 1991. Program - targeted management and cost accounting in science. M: Economy, p.219.
4. G. Wright. 2004. Decision Analysis for Management Judgment.- 3rd Edition. Wiley.
5. Stechenko D.N. 2007. Program - the target orientation in the management of socio-

- economic development of the region. University notes: Journal of Khmel'nitsky. University of Management and Law, № 3: 167-172.
6. Chistobaev A.I. 1984. Territorial comprehensive program. Leningrad. p.286.
 7. Alzhanova F.G. 2007. Technology market in the context of globalization: the institutions and mechanisms of development in Kazakhstan. Almaty, p.296.
 8. Sabden O., Turginbaeva A., Sabdenova J. 2000. "A lot of the criterion score of small business development in the regions of Kazakhstan." Journal of transit economy, № 4-5: 110-115.
 9. Nicholas Olenev, Naser Mollaverdi. 2011. A Normative Dynamic Model of Regional Economy. International Journal of Industrial Engineering & Production Research. Tehran: IUST, T. 22. № 2: 99-105.
 10. Pokrovskii, Vladimir N. 2011. Econodynamics. The Theory of Social Production. Springer, Berlin.
 11. J. Scott Armstrong. 1986. "The Value of Formal Planning for Strategic Decisions: A Reply", Strategic Management Journal: 183–185.
 12. Scott Armstrong, Fred Collopy, Andreas Graefe, Kesten C. Green. 2013. "Answersto Frequently Asked Questions", Retrieved May.
 13. Management Review by George T. Doran. There's a S.M.A.R.T. way to write management's goals and objectives, Management Review, Volume 70, Issue 11(AMA FORUM). pp. 35-36.
 14. Development strategy of the Republic of Kazakhstan to 2030 of 1997. [http://www.akorda.kz/ru/category/gos_program mi_razvitiya](http://www.akorda.kz/ru/category/gos_program_mi_razvitiya).
 15. Strategic Development Plan of the Republic of Kazakhstan to 2020 adopted by the President of the Republic of Kazakhstan № 922 of February 1, 2010. ru.government.kz/docs/u100000922_20100201.htm.
 16. Strategy of Industrial - Innovative Development of Kazakhstan for 2003-2015, approved by the Decree of the President of the Republic of Kazakhstan № 1096 of 17 May 2003. <http://ru.government.kz/resources/docs/doc3>.
 17. State Program of Education Development of the Republic of Kazakhstan for 2011-2020 adopted by the President of the Republic of Kazakhstan №1118 of December 7, 2010. <http://adilet.zan.kz/rus/docs/U1000001118>.
 18. National Program of Health Care of the Republic of Kazakhstan "Salamatty Kazakhstan" for 2011-2015 adopted by the President of the Republic of Kazakhstan №1113 of November 29, 2010. <http://ru.government.kz/resources/docs/doc19>.
 19. State Program on Forced Industrial-Innovative Development of Kazakhstan adopted by the President of the Republic of Kazakhstan №958 of March 19, 2010. [http://www.akorda.kz/ru/category/gos_program mi_razvitiya](http://www.akorda.kz/ru/category/gos_program_mi_razvitiya)
 20. Development programs in the areas of the Republic of Kazakhstan. [http://www.economy.kz/region / PRT / # 22473947990318754](http://www.economy.kz/region/PRT/#22473947990318754).
 21. Rating of regions of Kazakhstan. <http://www.zakon.kz/4493459-v-kazakhstane-sostavlen-rejting.html>.

14/12/2013