

PUBLIC STRATEGIC MANAGEMENT IN UKRAINE: INNOVATIVE APPROACHES TO ENSURING

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ABSTRACT

The article analyzes the state of functioning of public strategic management in Ukraine and identifies the main needs that hinder its development. It is stated that the need to improve the stages of forecasting and implementation is the most priority within the fundamental cycle of strategic management at the state level. The expediency of introducing a systematic approach to strategic long-term planning (up to 30 years) through the use of Foresight is substantiated. It will allow developing a vision of the future of Ukraine using a scientific methodology of forecasting and foresight. The vision should become the main document of the system of public strategic management. The strategy of development of the state should be developed on its basis. Strategic communications are grounded through the prism of a public strategic management process, focused on the result, i.e., achieving public policy goals.

The conceptual model of public strategic management, presented in the form of three key cycles of management process (planning, implementation and monitoring), is proposed. It is substantiated that such an approach to improving strategic management at the state level will create a managerial resonance (effect) in achieving public policy goals, which arises under the conditions of a common vision of the final state of the projected object, ways to achieve it and the expected result in all subjects of public administration as well as which is the result of coordination and synchronization of their actions.

The directions of increase of institutional capacity of public administration subjects in the course of realization of strategies, programs, plans and projects are offered, in particular: increasing the competence of civil servants in the development and implementation of public policy goals, use of modern forms and methods of subject-subject strategic interaction, development of management culture as well as resource, technical, legal and methodological support of public administration authorities.

Keywords: Strategy, Public Strategic Management, Strategic Goals, Foresight, Strategic Communications, Legal Regulation, Legal Provision, Managerial Resonance, Strategic Management Process

INTRODUCTION

Sustainable development of the state, ensuring its national strength and power, rational use of resources to achieve strategic goals depends on the effectiveness of strategic management in the public administration sphere and the use of its managerial potential. In Ukraine, unlike most other countries, the need to improve strategic public administration is dictated by other factors, including ensuring peace on its territory, which is one of the priorities.

In Ukraine, public administration is being reformed since 2016. The goal of this reform is to improve the public administration system and, accordingly, increase the level of competitiveness of the country.

A more efficient and accountable public administration system that works in the interests of society, ensures sustainable development of the country and provides quality services should be the result of such reform (Cabinet of Ministers of Ukraine [KMU], 2016; KMU, 2021). The goal of public administration reform is the institutionalization of the domestic model of democracy, *i.e.*, the transition to a new formation of state formation – public administration (Bilynska & Petroie, 2019).

The generalized experience of public administration in such countries as Denmark, Canada, Latvia, Germany, Poland, the USA, Switzerland, France and others may determine the possibility and feasibility of introducing some elements of positive experience of public administration of above mentioned countries into Ukraine, for example in the field of using and protecting land resources (Teremetskyi & Shust, 2020).

A feature of public administration is the joint activities of government authorities and local self-government authorities with politically active subjects of civil society and market economy on the formation and implementation of development policy of the state, territories and industries as well as the adoption and implementation of management decisions of public importance.

In view of the above mentioned, research on public administration strategy, improving the efficiency of management activities and use of innovative technologies and tools for forecasting, planning and implementation of public policy objectives in the format of development strategies are especially relevant. After all, the strategic goal, focused on national values, is the basis on which the activities of all subjects of public administration are concentrated and their interaction is ensured.

MATERIALS AND METHODS

The theoretical basis of this article is research on public administration reform, improvement of strategic management, use of Foresight methodology and strategic communications at the state level of Ukrainian and foreign researchers. The empirical basis of the article is represented by the provisions of Ukrainian legislation governing strategic planning and forecasting.

The choice of research methods was based on the purpose of the article, its object and subject. Analysis and synthesis of data are the most common methods of this work, which provided clarification of the features of public strategic management in Ukraine at the current stage of its development.

The method of system analysis made it possible to explore the fundamental cycle of public strategic management and to develop directions for improving the strategic management process at the state level. The conceptual model of public strategic management was developed using a method of modeling and a structural-functional method. Methods of idealization, systematization and generalization were used to substantiate the areas of the practical application of the developed model and the formation of the institutional capacity of public administration authorities in the sphere of public strategic management.

RESULTS

Public Strategic Management in Ukraine: A Practical Aspect

Public administration has two practical dimensions: the joint development of public policy taking into account the interests of all stakeholders and the division of responsibilities during the implementation of the approved strategic development goals of the state as a whole as well as separate industries and territories. Strategic management tools and technologies should

be actively involved here. They provide for the mutual strategic influence of the subject of public policy development and implementation on other stakeholders as well as their joint activities in achieving agreed goals at the international, state and local levels. Strategic management by its purpose is a technology of managerial breakthrough, breaking old systems and schemes. It contains such important elements as developing strategies, setting strategic goals, identifying the necessary resources and maintaining interaction with the external and internal environment in order to achieve goals. Orientation of strategic management in the future and requirements for the prevention of negative social trends gives grounds to assert the substantive identity of strategic and public management (Tertychka, 2015).

Strategic management at the state level is impossible without the proper quality of public administration itself. Public administration is strategic by content. It allows you to effectively manage change through the effective use of technologies for strategic forecasting and planning, development and implementation of appropriate strategies (Khadzhyradieva, Slukhai & Rachynskiy, 2020). Such changes can be planned, reactive as well as innovative that involve development as irreversible, directed, natural changes in the state and consciousness of society. Public administration strategy is a complex model of management, where all types of management are connected and closely interact and change: conceptual management, management of software and project development, management of functioning and reproduction as well as operational situational management.

Public strategic management is the activity of public authorities, which consists in the conscious choice of priority public values, goals, interests and needs in a certain historical period, the implementation of which is carried out with the participation of society on the basis of effective strategies at an affordable public benefit. The fundamental cycle of such management consists of strategy formulation (goals, priorities, measures), strategy implementation (structure, powers, communications, coordination) and evaluation of strategy implementation results (indicators) (Romaniuk & Hrabovskyi, 2019). The state strategic management is based on the management of goals, and strategic public management involves co-management of authorities at all levels, the public and market economy actors.

It is worth considering in detail the fundamental cycle of public strategic management: forecasting/planning, strategy formulation, its implementation, evaluation of results. The cycle involves the process of coordinating priority social goals with various stakeholders in order to realize social values, interests and needs in a certain period of time. The result of strategic planning are plans, programs, projects (strategic documents). Their components are goals, priorities, measures for their implementation, indicators of achieving priorities and goals, resources to be agreed upon in space and time. At the national level, the result is an approved development strategy – a document that defines the main trends in the development of the state, which follow from its internal state and from changes in its external environment; a comprehensive socio-economic concept of state development, in the long run, taking into account social, economic, cultural and institutional dimensions; socio-economic development scenarios; goals, directions and priorities of state policy, as well as the means of their implementation for the long term (Yevmeshkina, 2018).

Ukraine has not yet built a functionally effective structurally coherent system of public strategic management. The reason for this is the lack of integrated strategic planning and forecasting at the state level (Yevmeshkina, 2018; Bilynska & Petroie, 2019). Currently, there are only some elements of the strategic planning system at the sectoral, regional and local levels. A significant number of strategies are approved by decrees of the President of Ukraine, which are diverse and relate to different spheres of public life.

The subjects of strategic planning are also the Cabinet of Ministers of Ukraine, some ministries and departments as well as local self-government authorities.

In this regard, we can identify several key issues in ensuring public strategic management at the subject level: the powers of the President of Ukraine in the development of strategies are not defined at the legislative level, as well as the procedures for monitoring and evaluating their implementation are not defined; content, form, term of strategies have different

interpretations due to the lack of normative interpretation of the term “strategy”; uncertainty of the conditions of application of strategies as a tool of public administration, organization of the process of their implementation in the legislation leads to the fact that during the re-election of the new President of Ukraine the current strategies are canceled or their implementation is not continued and controlled (Bilynska & Petroie, 2019).

The only grounds for delimitation of powers of public administration entities in the formation of development strategies are the amendments to the Constitution of Ukraine (Verkhovna Rada of Ukraine, 2019). Articles 85 (paragraph 5), 102, 116 (paragraph 1) stipulate that the President of Ukraine is entrusted with the function of ensuring the development and implementation of development strategies, in particular regarding the determination of the strategic course of the state for Ukraine’s full membership in the EU and the North Atlantic Treaty Organization. The task of ensuring the implementation of the strategic course is assigned to the Cabinet of Ministers of Ukraine in accordance with Article 116 of the Constitution of Ukraine, and the powers of the Verkhovna Rada of Ukraine include determining the principles of domestic and foreign policy, the implementation of the strategic course of the state (Article 85, paragraph 5) (Verkhovna Rada of Ukraine, 1996). However, these provisions need to be further implemented in bylaws governing the public strategic management sphere in Ukraine.

This, in turn, creates obstacles to the development of a national strategy for the long term, which would identify key areas of state reform for 20–30 years. Another important problem in the development of public strategic planning and management is the lack of a mechanism for coordination between public authorities at all levels and with society, the inability to take into account and make appropriate changes to the adopted strategy, as well as the lack and imperfection of effective monitoring, which would assess the progress of the strategy goals towards the implementation of the declared outcomes (Nyzhnyk, 2016).

These aspects were taken into account during the preparation of the draft Law of Ukraine “On State Strategic Planning” (Ministry of Economy of Ukraine, 2017). In particular, the draft law took into account the need to form a system of strategic planning as a set of interconnected elements consisting of documents, procedures and participants in state strategic planning, which ensure the purposeful development of the state.

A number of significant differences that lay the groundwork for the development of the fundamental cycle of strategic management in Ukraine can be identified as a result of a detailed analysis of the draft law, in particular:

1. Introduction of a component that is important for the strategic development of the state – a vision of the future, which is planned for 30 years, with the possibility of revision every 15 years.
2. Introduction of a systematic approach to strategic planning, *i.e.*, periodic revision of strategic documents and continuation for the next years.
3. Long-term planning and mandatory compliance of all state, sectoral, regional and local strategies, programs and plans with the Development Strategy of Ukraine, which ensures the decomposition of strategic goals.
4. Involvement of stakeholders (public administration and local self-government authorities, scientific community, civil society institutions, etc.) in the planning process, as well as the establishment of a Council of Independent Experts, which will improve the quality, validity, transparency and public perception of public policy goals.
5. Improved procedure for monitoring and evaluating the effectiveness of strategic plans, *i.e.*, focus on results, the ultimate goal.

The issues of improving strategic planning as well as application of new technologies and tools remained relevant in both practical and theoretical dimensions as the draft law was not adopted.

Another reason for improving public strategic management is the development of strategic communications, which have passed the path of demilitarization in recent years and which are actively used not only in the military sphere but also in the public administration sphere in many countries.

Innovative Technologies and Tools for Public Strategic Management

It is worth focusing on two important aspects – public forecasting and strategic communications, which are quite innovative for the system of public strategic management. State forecasting is a procedure, one of the components of public strategic management, implemented on the basis of modeling in order to obtain a quantitative assessment of alternative directions of development as well as adopt reasonable management decisions by public administration authorities in the process of goal setting, selection of directions and priorities of development, public policy decision-making (Ministry of Economy of Ukraine, 2017).

The development of the vision of the future of Ukraine, which is the main document of the system of public strategic management, should be the result of state forecasting. The development of the vision is based on the use of scientific methods of predicting the future, such as Foresight, as well as the national idea is reasonably determined and the logical construction of the image of the desired future of the state is chosen on the basis of the results of the analysis of various alternatives in the conditions of uncertainty of the future. The main components of the vision can be: national idea of state development; dominant national values of the state development, indicating the ways of their observance; assessment of possible long-term development scenarios with identification of risks and threats that may arise on the way to achieving strategic goals; formed image of the desired future of the state, which will allow to realize its national idea of development with observance of national values.

Foresight differs from almost all currently known tools of scientific forecasting because it involves many stakeholders not only in the formation of the picture of prediction but also in active action to implement their own changes (Filipchuk, 2016).

Foresight is a method of long-term forecasting of scientific, technical and social development based on a survey of experts; system of methods of expert assessment of strategic directions of socio-economic and innovative development, identification of technological breakthroughs that can affect the economy and society in the medium and long term; modern methodology of technological forecasting; systematic reflection on the future and the impact on the future; scenario forecasting of socio-economic development (economy, industry of society) in the 15–30-year perspective (Fedulova, 2008).

Such a methodology is organized in the form of a systematic process that should be carefully planned, periodically updated and implemented by experts in many spheres. The important difference of forecasting in the public administration sphere is the mandatory involvement in this process of representatives of civil society and business structures as well as their willingness to assess the long-term prospects of socio-economic development of the state. The vision of the future and development strategy of the state should be the result of such forecasting. Successful application of Foresight forecasting methods will allow to develop a set of documents of public strategic management at the state level as well as at the territorial and sectoral levels.

A key condition for the success of the strategy is the use of methods that ensure the effective work of involved experts, prominent figures in various industries and spheres of society – economical, ideological, military, bureaucratic and political elite, because Foresight is a process but not a set of tools. It contains a consultation process that provides an exchange of thoughts, knowledge, views. As the purpose of Foresight is not only to prepare an “analytical forecast”, but also to make efforts in order to unite the main participants in the change process as well as to create conditions for them to consolidate and take joint action ahead (Kvitka, 2016).

This is where, in our opinion, the tools of strategic communication should be used, as Foresight provides for the creation of a network of highly qualified and interested in its implementation participants. They can formulate an adequate response to political, economic, social, and informational and other pressing challenges. An important condition is the need to conduct surveys among certain groups of the population – the main beneficiaries of the projected changes.

In fact, the functions of strategic communications are correlated with four different technological stages of Foresight: development of expert decisions and creation of expert panels as well as organization of interaction between experts; coordination of the “ideal” scientific vision with the real features and possibilities of practical implementation by consulting with all stakeholders; organization of communications with society, the purpose of which is to form a unified view of the future, understanding and attitude to the approved decisions and directions of development; communication support of such process (Syvak, 2019).

The coordination of positions and legitimization of the decisions made is the task of Foresight at all stages. Accordingly, Foresight can be defined as a strategic public communication technology, which can be seen as a means and resource of democratization, openness and productivity of public space of the state. The use of the basic principles of strategic communications and the narrative approach during its implementation will allow to move away from formalism, meaningless public discourse and transfer it to a more practical and functional dimension.

Strategic communications in public administration is a component of the public administration process, focused on establishing trust in the state and long-term relationships with internal and external stakeholders in order to create conditions for the implementation of public policy goals as well as a public administration technology, a set of actions to be consistently, properly implemented by the subject of public administration in the information space to achieve strategic goals and the formation of national power of the state using specific tools and techniques (Syvak, 2020). Schematically, the public strategic management process can be depicted in Figure 1 (Understanding NATO Strategic Communications, 2016).

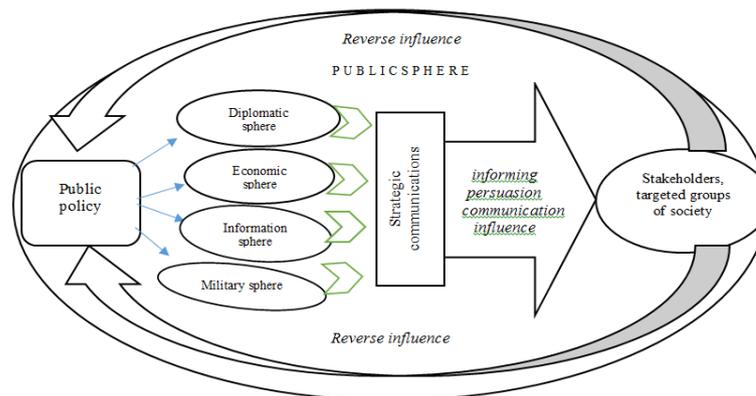


FIGURE 1
PUBLIC STRATEGIC MANAGEMENT PROCESS

The purpose of the strategic management process is to ensure the implementation of the national strategy and the creation of favorable conditions for the implementation of public policy goals both by preventing and timely detection of external and internal threats as well as by rational use of state potential. The use of strategic communications in the public administration sphere will help to improve the management process itself by establishing a dialogue and establishing consensus between institutionally different actors as well as ensuring targeted communication activities and coordination of their actions. The system of public administration authorities in cooperation with other subjects will function as the single integral mechanism in the realization of the state strategy, territorial and branch programs and projects by means of strategic communications (Vasutynska, Lipkan & Syvak, 2018).

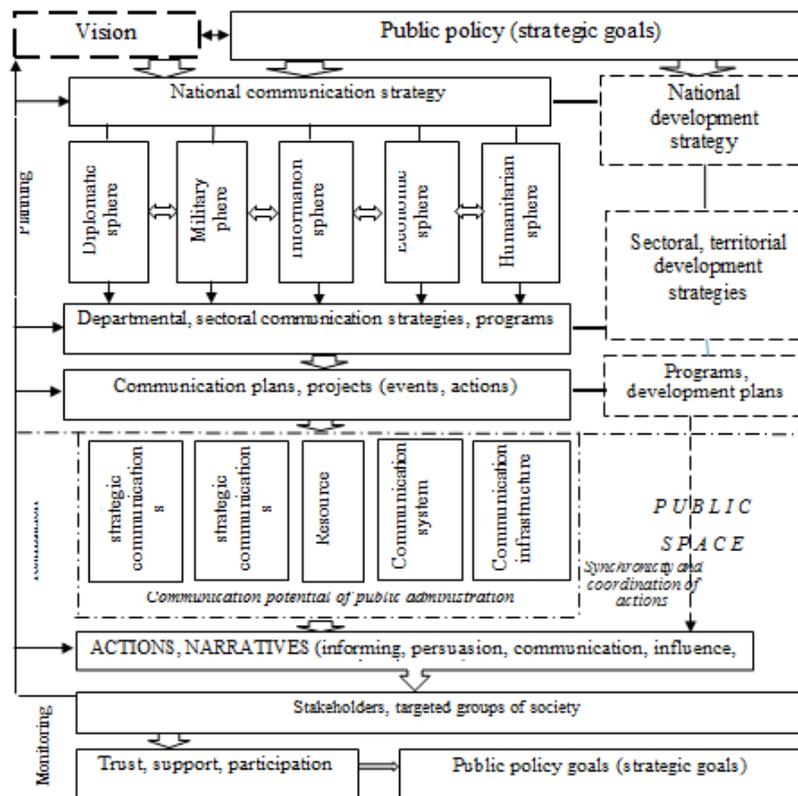
Thus, the application of the Foresight methodology will contribute to the development of an effective structurally coherent system of public strategic management, in particular, planning and forecasting at the state level. Strategic communications are aimed at improving the public

strategic management process. After all, they are closely linked to development strategies and are an indispensable component at the highest level of management and at an early stage (forecasting and planning) (Glenday, Thally & Riderh, 2018) as well as an integral part of the process of developing and implementing public policy (Communication for Strategic Change, 2011; Cornish, Lindley-French & Yorke, 2011)

Technologies and tools of strategic communications and forecasting, the application of which will contribute to the development of public strategic management in Ukraine as a whole, will create a managerial resonance in achieving public policy goals. The managerial resonance arises under the conditions of a common vision of the final state of the projected object, ways to achieve it as well as the expected result in all subjects of public administration and is the result of coordination and synchronization of their actions.

Conceptual Model of Public Strategic Management

The strategic management process of public policy implementation, which will include forecasting using the Foresight methodology and strategic communications as a comprehensive methodological toolkit, changes the emphasis of public strategic management. The vision of the future, which is developed using innovative prediction and forecasting technologies, is the basis of public strategic management. Its model is presented in Figure 2.



**FIGURE 2
CONCEPTUAL MODEL OF PUBLIC STRATEGIC MANAGEMENT**

The model reflects the process of public policy implementation, establishes links between public policy, vision, development strategies and communication strategies, programs and projects as well as identifies priority areas, the development of which ensures the success of the state and its national power (planning block). The block of public policy implementation defines the essence of the communication potential of public administration, which is used to

ensure effective interaction of public administration entities in order to build trust, support and ensure public participation in the joint achievement of strategic goals of state development. The block of monitoring/controlling the implementation of public policy consists of two stages: monitoring the implementation of communication strategies and implementation of strategies, programs and development projects. Synchronization and coordination during the implementation of development strategies can be achieved through spatial and temporal coordination of communications and actions between actors, *i.e.*, public administration and local self-government authorities, civil society institutions and market economy representatives.

The basic ideas, principles and rules for all subjects of public administration in the implementation of state strategies and programs are the principles of public strategic management. We can distinguish the following: connection of the national development strategy with the communication strategy and aligning them with the vision; qualified strategic management under the guidance of a national leader; compliance with national values and mental perceptions of all stakeholders; effective interaction, coherence, coordination and synchronization of actions of all participants of public strategic management; focus on results, *i.e.*, specific public policy goals (Syvak, 2020). Adherence to these principles is the basis for the development of strategic management at the state level and the basis for the practical implementation of the model.

The capacity or practical implementation of the model of public strategic management is possible only in case of presence of the institutional capacity of public administration entities in the sphere of public strategic management. It can be achieved by: increasing the competence of civil servants in the development of public policy goals, strategic communications, project and program management; establishing cooperation between public institutions and research institutions conducting comprehensive research in this area; use of modern forms and methods of subject-subject strategic interaction in the public administration system; development of management culture at the institutional level; resource, technical and methodological support of public administration authorities in the implementation of the fundamental cycle of public strategic management.

An indicator of the institutional capacity of public administration authorities in the sphere of public strategic management is the achievement of managerial effect – the synchronicity of goals and actions of institutionally different subjects of public administration in the implementation of strategies and the achievement of national strategic goals.

CONCLUSION

Approaches to the implementation of public strategic management in Ukraine require significant changes and improvements in the fundamental cycle of such management, including forecasting, planning and implementation. It is necessary to introduce a systematic approach to long-term strategic planning (up to 30 years), consistency of all state, sectoral, regional and local strategies and programs with the grand strategy of Ukraine as well as the involvement of stakeholders in the planning and implementation process. To this end, Foresight methodology, as well as technologies and tools of strategic communications, should be used. They should become important components of public administration strategy in order to focus on its results.

The purpose of the strategic management process is to ensure the implementation of the national strategy and the mandatory creation of favorable conditions for the implementation of public policy goals. The practical implementation of the proposed conceptual model of public strategic management, presented in the form of three key cycles of the management process (planning, implementation and monitoring), will create a managerial resonance (effect) in achieving public policy goals. It arises under the conditions of a common vision of the final state of the projected object, ways to achieve it and the expected result in all subjects of public administration as well as it is the result of coordination and synchronization of their actions. The practical implementation of innovative approaches to public strategic management requires the formation of institutional capacity of public administration entities in this area, in particular

increasing the competence of civil servants in developing and implementing public policy goals, using modern forms and methods of subject-subject strategic interaction, development of management culture, resource, technical and methodological support.

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