Strategic management of municipality socio-economic development

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Abstract. The article analyzes a theoretical approach to the strategic management of the development of a municipal formation, considers the stages of developing a strategy and the requirements for it. Based on the analysis of existing methods for analyzing the implementation of development strategies for municipalities, the authors have developed their own assessment methodology, which is tested on the example of the currently implemented Strategy of socio-economic development of Kazan until 2030. The assessment includes an analysis of the mission of the strategy, the built tools for achieving strategic goals, implementing the set goals and development trends, monitoring target indicators of the strategy and adjusting it, the possibility of public participation in the discussion of the strategy. Based on the results of the study, it was concluded that the Kazan strategy has a positive assessment according to all the considered criteria.

1 Introduction

Due to the ongoing processes of urban transformation, increased competition between cities and increasing urbanization, there is a need for effective city management.

The concept of effective urban governance, as the closest to the population, in Russia was transformed with the transition to a market economy, the emergence of new political and economic systems in the country and, of course, the normative consolidation and development of the institution of local self-government.

In the conditions of the dynamism of the external and internal environment, city management in the form of traditional planning based on the stability and certainty of phenomena and ongoing processes, in practice, faces many problems.

As Russian and world practice shows, in modern conditions the most effective and flexible tool that could unite the efforts of the city authorities and its community to build a single vector of development, attract investors, strengthen competitive advantages, and also apply modern mechanisms of communication with the population to satisfy its needs, becomes strategic management [1].

Strategic management of the socio-economic development of the city every year becomes the most popular in our country, while abroad strategy, as a result of strategic planning, has

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long been entrenched as the main mechanism that ensures the long-term and progressive development of the city.

It is strategic management that allows city authorities to make the necessary management decisions for the development of the local economy, achieve long-term socio-economic development goals, and be ready to quickly adapt to changes in the external and internal environment.

But, despite such a high recognition of the strategic management of the socio-economic development of the city, in practice, many cities are developing unrealizable, that is, formal, strategies.

2 Materials and Methods

The main research method is content analysis of the theory and practice of strategic management in municipalities. None of the foreign academic community denies the need for a strategic management mechanism at the municipal level, for example, in China it is Dai J.A, Cao R.-L.A., Zhou H.B [2], in Germany - Weiss J. [3], in Iran - Shabanzadeh Namini R.A, Loda M.B, Meshkini A.A.[4].

The study was also based on the work of Paz S., who in his works describes the significant changes that have occurred in the conceptual foundations of competitive urban policy, affecting the international projection of cities in terms of social creativity and competitiveness of cities. [5], and Eriksson P., Lehtimäki H., which define a systematic approach to the development of strategic documents for urban development [6].

Russian scientists also substantiate the need for effective strategic management, using, among other things, foreign experience. (Stovba E.A., Lukyanova M.B, Stovba A.A, Kolonskih N.A.)[7], looking at brands and making a comparative analysis of urban strategies for the 2013 Universiade and the 2018 FIFA World Cup in Russia (Makarychev A.A., Yatsyk A.B.) [8], drawing a correlation between the balanced socio-economic development of the city and its attractiveness (Glebova I.S., Khamidullina A.M., Anisimova E.A.) [9].

After analyzing the existing methods, the author's methodology for assessing the process of strategic management of the socio-economic development of cities was developed.

The main normative legal act, which is analyzed on the basis of the developed methodology, is the Strategy of Socio-Economic Development of the Municipal Formation of Kazan until 2030, adopted on December 14, 2016 [10].

3 Results and Discussion

The strategy of socio-economic development of the municipality should be based on its long-term priorities in the economic, social and other spheres, and be consistent with the interests of the urban community. Only with a constructive dialogue between the authorities, society and business will the strategy be effective. The lack of participation of the local community in the development and adoption of the strategy entails the "formality" of the strategy, i.e. its unfeasibility in practice, and consequently a decrease in the quality of urban development management. The activity of the local community in discussing and adopting a strategy is a sign of the democratization of society and the presence of civic consciousness.

The development strategy of the municipality should be developed on the basis of the principle of compliance with the strategic development goals of the federal and regional levels. Also, it should not contradict the approved General Plan and other previously adopted regulatory legal acts of this territory. The adoption of a strategic plan does not mean the cancellation and replacement of its other plans and projects, because it contains only the formulation of the most significant prospects and development vectors.

Development of a strategy is a process that, from the very beginning, presupposes an increase in the interests of the population to participate in the life of the city. It includes the following steps:

- assessment and analysis of the current socio-economic situation in the city;
- determination of goals and priorities of socio-economic development;
- the choice of the main directions for the implementation of strategic goals;
- definition of subroutines;
- the formation of mechanisms for the implementation of the strategy.

A prerequisite for the effective implementation of the development strategy of the municipality is a combination of three main approaches in its development: economic and mathematical, sociological and communicative and scenario.

To date, there is no single comprehensive methodology for assessing the process of strategic city management. Each strategy should contain a system of indicators for assessing the strategy, but it is ineffective to assess the process of strategic management of the city only with the help of them. An integrated approach is needed.

Methods for assessing strategic management in municipalities, in particular documents for their strategic development, can be developed both by the scientific community at the request of the city authorities, and on their own initiative; also, the methods are often developed by the municipalities themselves [11].

Conventionally existing methods can be classified into two types: assessment through subjective assessments of experts or through quantitative statistical data on the socio-economic development of the city.

The ICSE methodology "Leontief Center" is a method of expert assessments, which evaluate the previously developed criteria that characterize the process of strategic management. These criteria allow an expert, placing grades, to analyze the severity of various characteristics of the strategy. Unlike the methodology of the Leontief Center, the methodology of the Institute for Urban Economics is based on the analysis of statistical data [12].

After analyzing the existing methods, the author's methodology for assessing the process of strategic management of the socio-economic development of cities was developed. It includes 5 components:

- The originally formulated mission of the strategy, which characterizes the specifics of the municipality. The criterion is significant, because it is the mission that is one of the most important components of the philosophy of strategy, it characterizes the degree of awareness of the key goals and objectives of development.
- A systemically structured toolkit for achieving the formulated goals of the strategy. Of course, it is impossible to fulfill the objectives of the strategy without coordinated tools. This criterion can be assessed by monitoring the official website of the city, the relationship of local governments with the department dealing with strategic development, as well as by analyzing official documents for compliance with the subject of the strategy.
- Practical implementation of the declared development goals of the strategy, as well as the achievement, trends and relevance of the quantitative indicators incorporated in it. Analysis of the dynamics of quantitative indicators is a tool that most objectively reflects the effectiveness of achieving the goals of the strategy.
- Regular monitoring of the implementation of the city's strategy and its adjustment, if necessary. In order to assess this criterion, local governments must post reports on the monitoring carried out on the official website of the city, the results of which must be reliable. Adjustment of the strategy should be carried out when the planned indicators are reached and exceeded, as well as when other external factors require changes.
- Active participation of the city community in the discussion of the development strategy. The public's desire to participate in the approval of the strategy characterizes the development

of civil society and contributes to the development of a strategy aimed at solving the problems of citizens, making the city more convenient for life [12].

Consider the strategic management of the development of the municipal formation of the city of Kazan.

The choice is due to the fact that the development of a development strategy for Kazan is one of the first attempts at effective strategic planning in the cities of the Russian Federation. The first strategy was adopted back in April 2003 and was being implemented until 2015. It should be noted that at the time of the development and adoption of the strategic plan of Kazan, there was no strategic plan for the development of the Republic of Tatarstan. However, after its adoption in 2005, Kazan's strategy has not been corrected in any way. The mechanism for the implementation of the Development Strategy of Kazan was carried out in accordance with the developed system of program-targeted management. The strategy was overloaded with indicators, most of which had already been achieved by 2007. Progress reports on the implementation of the Strategy were published until 2006. Since then, the strategy has not been monitored and adjusted.

Let us carry out an analysis according to the developed methodology using the example of the currently implemented Strategy of socio-economic development of the municipal formation of Kazan until 2030, adopted on December 14, 2016 [10].

Criterion 1. The originally formulated mission of the strategy, which characterizes the specifics of the municipality.

The main goal of Kazan's strategy touches upon the issues of sustainable socio-economic development, increasing tourist attractiveness, improving the quality of life of the population, while focusing on the fact that the main value of the city is a person, and the key task of the strategy is to create conditions for its comfortable life. [10].

According to the authors, this mission statement clearly formulates the vision of the future of Kazan, laconically systematizes and accurately reflects the tasks prescribed in the strategy: thereby, characterizes the strategy according to this criterion from the positive side. It is also important to note that this mission statement corresponds to the role of Kazan in the Development Strategy of the Republic of Tatarstan - 2030.

Criterion 2. A systemically structured toolkit for achieving the formulated goals of the strategy.

First, the Kazan Strategy is developed on the basis of the above-mentioned regional strategy, is fully consistent with it and contains the mechanisms for its implementation at the city level.

Secondly, the main strategic goal of the Kazan Strategy is structured into seven strategic goals: Human capital; Space, real capital; Markets; Institutes 2030; Innovation and information; Natural resources; Financial capital.

Each of these strategic goals has its own clearly structured and interrelated goals, objectives, sub-objectives and indicators.

Thirdly, the strategy defines four so-called image projects, where it is determined that Kazan is the "Territory of Health", "The Cauldron of Creative Ideas", "The Many-Faced Center of Agglomeration", "Driver of the Future". They are highlighted in order to focus on the clear and vivid priorities of the target orientation, to identify its unique characteristics, and to facilitate interaction with the stakeholders of the strategy.

Fourth, one of the tools for implementing the strategy are municipal programs, which are also structured in the document (for example, supporting entrepreneurship, improving working conditions, increasing energy efficiency), as well as prescribing municipal programs that are being developed and necessary for the effective implementation of the strategy.

Fifthly, the practical implementation and the plan for achieving all the tasks are specified in the action plan of the Strategy - a normative legal act, which was separately worked out and approved by local authorities for the effective implementation of the strategy. It is posted

on the official website of the municipality, a report on the progress of its implementation must be provided to the Mayor of the city annually. For each of the objectives of the strategy, specific activities have been formulated.

All this speaks of a well-developed and rather broad mechanism for implementing the strategy, which makes it possible to assign a positive assessment to the strategy according to this criterion.

Criterion 3. Practical implementation of the declared development goals of the strategy, as well as the achievement, trends and relevance of the quantitative indicators incorporated in it.

Let's consider the values of some of the planned indicators of the Kazan Strategy for 2019 and monitor their actual values, which were found from many different official statistical reports. However, Table 1 does not show all the indicators recorded in the Strategy: this is due to the fact that not all actual data for 2019 can be found in the public domain.

Table 1. Indicators of the Kazan Strategy until 2030: planned and actual values

Индикатор	2019 (plan)	2019 (fact)
Population, thousand people	1259,515	1 254,7
Unemployment rate, %	0,80	0,55
The share of the population responding positively to the state of interfaith relations in Kazan,%	67,25	79,5
Number of private kindergartens, pcs.	22	23
The share of the total area of green spaces in the total area of municipal land,%	23,30	23,3
Depreciation rate of engineering networks,%, including		
Heat supply	38,00	56
Water supply	79,00	52
Length of storm sewer, km	387	423,7
Gross territorial product per capita, rubles	614,30	616,1
Average monthly cash income of the population per capita, rubles	52616,00	46 276,0
Share of SMEs in gross territorial product,%	38,40	39,2
Increase in retail trade turnover,%	103,30	112,2
Provision of the total area of housing per inhabitant, sq. m	25,20	26,4
Tourist flow, thousand people	3200,00	3 500
Share of population employed in the SME sector,%	36,80	36,6

Despite the presence of some indicators that did not reach their planned values (the degree of depreciation of the heat supply, the monetary income of the population) and even taking into account the fact that the values of some indicators were not in the public domain, it can still be stated that most of the targets have been met, and some indicators have even exceeded their planned values, which indicates the need to adjust them (gross territorial product per capita, provision of housing space, etc.). All this indicates a positive assessment of the strategy according to this criterion.

Criterion 4. Regular monitoring of the implementation of the city's strategy and its adjustment, if necessary.

According to the implementation mechanism prescribed in the Strategy document, it will be adjusted every three years (if necessary), and every six years it will be updated.

The website of the Economic Development Committee of the Executive Committee of Kazan has annually updated information on the progress of the Strategy implementation

(report for 2017, 2018, 2019), which contains all the names and reports on the implementation of the strategy's activities [10]. The only thing to note is that these reports do not contain information on monitoring the target indicators of the strategy, which makes it difficult to quantify the effectiveness of its implementation.

At the same time, local governments are aware of the need to adjust the Kazan Strategy. There are two global factors that require adjustment today.

First, as we could see earlier, some of the actual values of the target indicators have reached and are significantly ahead of the planned ones. Secondly, this is due to strategic changes at the level of the country and the region. Vladimir Putin's decree on national goals and strategic development objectives and adjusting the development strategy of the Republic of Tatarstan-2030 actualize the emphasis on increasing life expectancy, digitalization of the economy, employment of people of pre-retirement age. In this regard, local governments, together with residents of Kazan, are carrying out large-scale work in this direction.

Thus, during the implementation of the planned corrective measures, the Kazan Strategy may have a positive assessment according to the fourth criterion, however, it will be possible to systematically evaluate the monitoring of implementation only if quantitative targets are published, among other things.

Criterion 5. Active participation of the city community in the discussion of the development strategy.

According to official information, about a thousand people took part in the development of the Strategy we are analyzing. In person, 580 people were involved in this process, and 845 citizens took part in an online survey posted on the official portal of the mayor's office.

To date, the official website of the municipality has information about the possibility of citizens to take part in adjusting the Strategy in various ways: directly on the website, via e-mail, in the official account on Instagram, by phone. Only online interaction mechanisms are explained by the coronavirus pandemic.

All this testifies, on the one hand, to the openness of local self-government bodies, to the readiness and desire of the authorities to hear the opinion of citizens, to conduct a dialogue with them, and, on the other hand, to the active position of citizens in issues of urban development: in aggregate, this makes it possible to give a positive assessment of the Kazan Strategy according to the last criterion we are considering.

4 Conclusions

Thus, it can be concluded that the considered Development Strategy of Kazan until 2030 meets the basic requirements, which contributes to its further effective implementation. It should be noted that the Strategy of Kazan was also highly appreciated at the expert session in 2016, which was attended by the Chairman of the Board of the Center for Strategic Initiatives Foundation A.L. Kudrin [10].

In general, the introduction of a strategic management system in municipalities in our time is very relevant and necessary, since it determines its priorities for socio-economic development, allows creating conditions for long-term development, is an effective tool that adapts it to the standards of a market economy and the international competitive market, is able to enhance its image, strengthening the relationship of local authorities with the population, is a tool to increase investment attractiveness. In other words, the development strategy of the municipality is one of the key factors of its socio-economic development.

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