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MODELLING ADAPTIVE AND SIMULTANEOUS STATE-BUSINESS PARTNERSHIP STRATEGIES IN THE CONTEXT OF CONFLICT MANAGEMENT IN THE CONTEXT OF THE COVID-19 PANDEMIC, DIGITALIZATION AND SUSTAINABLE DEVELOPMENT

МОДЕЛЮВАННЯ АДАПТИВНИХ І СИМУЛЬТАННИХ СТРАТЕГІЙ ПАРТНЕРСЬКОЇ ВЗАЄМОДІЇ ДЕРЖАВИ ТА БІЗНЕСУ В КОНТЕКСТІ УПРАВЛІННЯ КОНФЛІКТАМИ В УМОВАХ ПАНДЕМІЇ COVID-19, ДІДЖИТАЛІЗАЦІЇ ТА СТАЛОГО РОЗВИТКУ

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Живко З.Б., Орлова-Курилова О.В., Кредісов В.А., Таран-Лала О.М. Моделювання адаптивних і симультанних стратегій партнерської взаємодії держави та бізнесу в контексті управління конфліктами в умовах пандемії COVID-19, діджиталізації та сталого розвитку. Науково-методична стаття.

З метою мінімізації протиріч між інноваційним бізнесом і державними інститутами, поглиблення ефективних комунікаційних каналів запропоновано використовувати адаптивні і симультанні стратегії державного регулювання. Доведено, що завданням адаптивних стратегій є стимулювання нарощування інноваційного потенціалу, зростання людських компетенцій, поступове зняття ризиків і невизначеності в інституційному середовищі. Симультанні стратегії, навпаки, повинні формуватися з урахуванням глобальних трендів світової економіки, а також оцінювання перспектив розвитку інноваційної діяльності в контексті планування або прогнозування випуску нових продуктів і репрезентації виробництва, які в майбутньому принесуть дохід державі, забезпечать соціально-економічний розвиток суспільства. Зроблено висновок, що в контексті управління конфліктами в умовах пандемії COVID-19, діджиталізації та сталого розвитку дані стратегії є виправданими.

Ключові слова: моделювання адаптивних і симультанних стратегій, партнерська взаємодія, держава і бізнес, управління конфліктами, пандемія COVID-19, діджиталізація, сталий розвиток

Zhyvko Z.B., Orlova-Kurilova O.V., Kredisov V.A., Taran-Lala O.M. Modelling adaptive and simultaneous state-business partnership strategies in the context of conflict management in the context of the COVID-19 pandemic, digitalization and sustainable development. Scientific and methodical article.

In order to minimize the contradictions between innovative business and state institutions, deepening effective communication channels, it is proposed to use adaptive and simultaneous strategies of state regulation. It is proved that the task of adaptive strategies is to stimulate the growth of innovation potential, growth of human competencies, gradual removal of risks and uncertainty in the institutional environment. Simultaneous strategies, on the other hand, should be formed taking into account global trends in the world economy, as well as assessing the prospects for innovation in the context of planning or forecasting new products and production, which will bring revenue to the state, ensure socio-economic development. It is concluded that in the context of conflict management in the context of the COVID-19 pandemic, digitalization and sustainable development, these strategies are justified.

Keywords: modeling of adaptive and simultaneous strategies, partnership, state and business, conflict management, pandemic COVID-19, digitalization, sustainable development

Features of functioning of innovative entrepreneurship as an organizational-economic element in the system of the national economy provide for personal responsibility of an entrepreneur for the results of his activity because of the realized strategy of recombination of innovation potential and application of a set of managerial competencies, which provide further development of enterprise. At the same time, such entrepreneurship does not work specifically, it actively interacts with the institutional environment and key market stakeholders. Furthermore, while the management of the internal environment of the enterprise is

controlled by the entrepreneur, external factors are overwhelmingly not controlled by the entrepreneurial stakeholder but have an unconditional influence on the activities of the enterprise. In such a context, an important task of state regulation of innovative entrepreneurship is to ensure an uninterrupted dialogue between business and government with a mandatory achievement of parity of all stakeholders, which will ensure the accumulation of positive synergies in the institutional environment.

Analysis of recent research and publications

Since Ukraine's independence, innovative entrepreneurship has been given a head start in its development. The full regulation of legislation, the priority of private business, the government's focus on creating the business environment, and financial support - have provided the initial conditions for the development of this sector of the economy. Today, big administrative work is being done in the direction of state support for entrepreneurship in order to improve the work of innovation-driven businesses. At the same time, the effectiveness of such work is mostly determined by close cooperation between innovative activity stakeholders and the government, which forms the foundation for the creation of the state in accordance with the needs and current market conditions.

The relationship between the government and business has become stronger today but requires deepening of communication channels, their adaptation and elimination of escalation of inter-subject conflicts. Many scientists have devoted their works to the study of modelling adaptive and simultaneous state-business partnership strategies, among which are Hnatenko I. (2018, 2019); Hnatenko I. et al. (2019); Zos-Kior M. et al. (2020); Khodakivska O.V. et al. (2021); Brockova K. et al. (2021); Lozhachevska O. et al. (2021).

Unsolved aspects of the problem

The experience of innovation-oriented economies around the world shows that effective communication plays an important role in choosing the right strategy for innovative entrepreneurship development. Such communications stimulate market relations by balancing supply and demand, reducing transaction or trans-action costs of the interacting parties. Research in the context of the COVID19 pandemic, digitalization and sustainable development, has not yet become systematic, in particular in the modelling of adaptive and simultaneous strategies for state-business partnerships.

The aim of this article is to investigate the modelling of adaptive and simultaneous state-business partnership strategies in the context of conflict management in the context of COVID- 19 pandemic, digitalization and sustainable development.

The main part

The influence of the state on the development of innovative entrepreneurship is multifaceted and multilayered. It is the formal and informal communications that are formed within the framework of such action. Interaction between the state and business is carried out through infrastructural elements or state institutions available in the institutional matrix.

The government and entrepreneurs are obliged to act as equal partners in the formation of the innovation economy. The institutions of government direct their communications to all types of enterprises (regardless of ownership and scale of activity), which is an important form of market interactions. In the absence of a balanced mechanism to ensure parity in such interactions, further development of innovative entrepreneurship is extremely difficult and the process of reforming the institutional matrix proves to be futile or chaotic.

In our opinion, close partnership of the state and business is a horizontal-vertical replication of relations at all levels of public administration in order to ensure the development of social production, create transparent conditions for fair competition and form the innovative core of the national economy. Some innovative economies of the world began to move to a system of replication of regulatory relations in the last century, realizing the need for these transactions. At present in such countries, there is a predominantly self-regulating market economy with moderate (or absent) state influence, but stable progressive communication channels. At the same time, at the beginning of state formation, such countries quite often used the tools of planned regulation of the economy, which in the future provided them with an opportunity to create an effective system of market management on a parity basis and stimulate innovative achievements with a weaker regulatory influence. However, these state levers of influence did not have the characteristics of rigid command and administrative planning, but rather of soft directive management. Moreover, the market in such countries was less spontaneous or depressed and was under state control. In Ukraine, the process of state formation takes place under unfavourable conditions, which makes the system of innovative entrepreneurship chaotic and turbulent. That is why stronger state regulation tools should prevail in our country and, consequently, the control of interrelations with the participants of entrepreneurial relations as a result of underdeveloped of market institutions should be more orderly, weighted with predictable consequences.

The harmonization of partnerships between innovative enterprises and the state is disrupted by bureaucracy, both in the institutions of state power and in the infrastructure elements included in the institutional matrix. Bureaucracy in the context of economic transformation in the absence of state influence on its manifestation, can cause chaotisation of institutional relations and increase opportunistic behaviour among participants of transactions. The presence of bureaucracy makes it impossible to simplify procedures for opening innovative businesses and implementing new projects among already operating business entities. The negativism of

bureaucracy is a consequence of futile state management of innovative entrepreneurship without consideration of public opinion.

The synergistic contamination of bureaucracy destroys fair communication between innovative businesses and the state and reduces the transparency of administrative services. In such conditions, the bureaucrat is a public authority subject who neglects his functional duties for his own benefit, causing harm to business by overloading entrepreneurs with unnecessary paperwork and ignoring the principles of non-interference in a private property. The bureaucrat evades personal responsibility for his actions by ignoring established rules and legal provisions.

The assimilation of bureaucracy in public administration goes from the supervisor to the subordinate, through the implementation of formal and especially informal interactions that are predominantly illegal and increase opportunistic behaviour.

Bureaucratization has the properties of suppressing collective-labour initiative, destroying courageous and useful undertakings, minimizing the development of creativity, non-standardism or creativity, which are important conditions for ensuring effective managerial decisions, especially in times of transformation, in which the Ukrainian economy finds itself. Some public administration stakeholders are unwilling to seek and implement new directions of management of innovation, choosing deviant behaviour as their priority of work, which does not benefit the state establishment. Under such conditions, negative elements of bureaucratism are produced: a tendency towards multi-level, complex public administration; delays in the management decision-making system due to organizational chaos, lack of initiative; excessive controllability of subordinates or managers of innovative businesses, inappropriate interference of regulatory bodies in their daily activities; administrative barriers in processing permits or creating unfavorable conditions for documenting every action of innovation stakeholders; a slowdown of operational and strategic management by region, branch or economy sector, due to the predominance of nepotism and bribery at the local level, which undoubtedly reduces even effective and necessary state initiatives already regulated at the legislative level; dynamisation of institutional gaps and market failures in the national economy, which reduces compensatory opportunities for entrepreneurship and accelerates its inert development; demoralization and deprofessionalisation of the labor resource involved in state regulation and the complete destruction of the moral or value interests of civil servants in favor of the state.

Thus, bureaucratization always acts as a brake on radical socio-economic reforms based on market self-regulation mechanisms. In this context, the directions for ensuring the interaction between the state and innovative enterprises on a parity basis should take into account the transformations inherent to the national economy: the intensification and forms of democratic shifts; the specificity of shifting of state regulation in crisis conditions; dynamisation of channels for democratic transit within the legislative, judicial and executive branches of power; shifting of interests/preferences of stakeholders involved in the democratic process; The variability of institutional conditions in the national innovation market; globalization trends and integration processes affecting the national economy.

Minimization of the manifestation of bureaucracy should be based on a gradual increase in the pace of reform of the national political system and active democratization of its institutions. There is a need to find gaps in public administration and to identify means of achieving effective communication between the state and business, taking into account the mental characteristics, the evolution of institutional development, and social, geopolitical, psychological, economic, political conditions of the country. In our view, there is a need to promote liberal democracy in order to eliminate bureaucracy. The basic principles of liberal democracy that will ensure the development of innovative entrepreneurship are: the institutionalisation of political freedoms of entrepreneurs; the ability of legislative, judicial and executive authorities to respond to the electorate and opinion of entrepreneurs; equality of representatives of public authorities and entrepreneurs before the law and the courts.

Institutional weakness and excessive bureaucratization force innovative enterprises to move their activities, or parts of them, into the shadow economy, which can be characterized as: prohibited type of organizational and economic activity and concealment of real income by entrepreneurs; development of underground production and total disregard of product quality standards and working conditions of workers; production, distribution, exchange, consumption, commercialisation of services and commodities values in ways that are not controlled by the state; proliferation of informal employment in the national economy.

One of the tools to ensure liberal democracy in the process of state regulation of innovative entrepreneurship is lobbying of the interests of entrepreneurs at all levels of government management. The projection of lobbyism is based on the disposition of the state as the centre of administrative and managerial decision-making in the coordinates "fair competition – democracy - market self-regulation". Within these coordinates the balance of interests of state regulation stakeholders is determined, the speed of institutional changes is formed, the vectoriality and strategy of future reforms in the sphere of innovation activity are specified.

We consider lobbyism in the framework of liberal democracy as a formal, institutional strategy of joint actions of beneficiaries, individual officials, stakeholders of budget-forming innovative enterprises, based on corporate interactions of government and business, in order to maximize the effect of innovation policy, increase domestic innovation. The reasons for the need for lobbyism are based on the backlash of government initiatives due to some inertia or their limited effect in an open national innovation matrix. It is the stakeholders of

innovative entrepreneurship that can overcome the disconnection of the national innovation matrix by accumulating disparate resources, accumulating reserves of innovation potential and increasing the knowledge intensity of domestic production. The effectiveness of transactional communications in the process of lobbying determines the improvement of innovation blocks of public policy, where the national interests, support for innovation activities and not the interests of monopoly companies to obtain by the latter in an unfair way financial and other support from the state are defined as priorities.

Conclusions

In our opinion, adaptive and simulative state regulation strategies should be used in order to minimize contradictions between innovative businesses and state institutions, as well as to deepen effective communication channels. Adaptive strategies of state regulation should be focused on the current trends of functioning of innovative entrepreneurship and the state of dynamization of the institutional matrix. The aim of adaptive strategies is to stimulate innovation potential building, growth of human competencies, gradual removal of risks and uncertainties in the institutional environment. In contrast, simulative strategies should be based on global trends in the world economy and assess the prospects of innovation in the context of planning or forecasting the release of new products and production representation, which in the future will bring income to the state, ensure the socio-economic development of society through high competitiveness of national producers in foreign markets. In economic terms, simultaneous and adaptive strategies are explained by market expectations and profit planning at the macro, meso and micro levels from the commercialization of new technologies or products. Where the government initiates these strategies, conflicts between business and government are mitigated by mixed practices of implementing these strategies that do not formally and meaningfully conflict with the current strategic objectives of state innovation policy, by including entrepreneurs and key beneficiaries in their development.

Abstract

An important task of state regulation of innovative entrepreneurship is to ensure an uninterrupted dialogue between business and government with a mandatory achievement of parity of all stakeholders, which will ensure the accumulation of positive synergies in the institutional environment. The purpose of this article is to investigate the modelling of adaptive and simultaneous state-business partnership strategies in the context of conflict management in the context of COVID-19 pandemic, digitalization and sustainable development.

The objectives of this article are: research of adaptive strategies of partnership interaction; research of simultaneous strategies of partnership interaction; modelling of adaptive and simultaneous strategies of partnership between the state and business; study of factors influencing the strategies of partnership management of conflict management in the context of the COVID-19 pandemic, digitalization and sustainable development. The article uses the historical-logical method, the method of systematization, classification and theoretical generalization; method of logical analysis and synthesis.

In our opinion, adaptive and simulative state regulation strategies should be used in order to minimize contradictions between innovative businesses and state institutions, as well as to deepen effective communication channels. Adaptive strategies of state regulation should be focused on the current trends of functioning of innovative entrepreneurship and the state of dynamization of the institutional matrix. The aim of adaptive strategies is to stimulate innovation potential building, growth of human competencies, gradual removal of risks and uncertainties in the institutional environment. In contrast, simulative strategies should be based on global trends in the world economy and assess the prospects of innovation in the context of planning or forecasting the release of new products and production representation, which in the future will bring income to the state, ensure the socio-economic development of society through high competitiveness of national producers in foreign markets.

In economic terms, simultaneous and adaptive strategies are explained by market expectations and profit planning at the macro, meso and micro levels from the commercialization of new technologies or products. Where the government initiates these strategies, conflicts between business and government are mitigated by mixed practices of implementing these strategies that do not formally and meaningfully conflict with the current strategic objectives of state innovation policy, by including entrepreneurs and key beneficiaries in their development.

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