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THE SYSTEM OF INFORMATION MANAGEMENT AS THE KEY COMPONENT FOR EFFECTIVENESS INCREASE OF THE STATE REGULATION OF INSTITUTIONAL CHANGES

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СИСТЕМА ІНФОРМАЦІЙНОГО ЗАБЕЗПЕЧЕННЯ ЯК КЛЮЧОВА СКЛАДОВА ПІДВИЩЕННЯ РЕЗУЛЬТАТИВНОСТІ ДЕРЖАВНОГО РЕГУЛЮВАННЯ ІНСТИТУЦІОНАЛЬНИХ ЗМІН

<u>Problem statement.</u> The efficiency research of the state regulation of institutional changes in Ukraine by the local scientists [1; 2; 3] has detected the low level of effectiveness done by this type of regulation activity of state management bodies and local self-government authorities. This adversely affects economic security of entrepreneurship (ESE) in the country and functioning of the national system of economic security of entrepreneurship (SESE). The stated above requires to search and implement ways of effectiveness increase of this activity conducted by state power institutes, where the key element is development and implementation of the appropriate system of information management.

Analysis of the recent researches and publications. Significant number of works on the research of problems connected with effectiveness of the state regulations of institutional changes in the context of ESE provision and SESE functioning in the country are presented by Ukrainian and foreign scientists nowadays. The works of the following scientists have done greater impact on the topic under consideration: M. Khanish and A. Shloter [4], O.S. Saenko [5], G.M. Pochenchuk [6], K.S. Ivakina [7], O.E. Popov and P.E. Yakovtsov [8] and others.

At the same time, the problem of information management for the effectiveness increase of the state regulation of institutional changes within management of country's ESE and SESE has not been solved sufficiently. Such a situation requires implementation of scientific studies in this direction emphasizing the development of the appropriate system.

<u>Statement of the article's aim.</u> The aim of the article is to develop and implement the system of information management within the effectiveness increase of the state regulation of institutional changes in the context of management of economic security of entrepreneurship and the national system of economic security of entrepreneurship in Ukraine.

To achieve this goal the following tasks have been outlined: to study the essence of concepts "effectiveness of the state regulation of institutional changes," "quality of the state regulation of institutional changes," "efficiency of the state regulation of institutional changes" and relationship between them within implementation of the appropriate level of economic security of entrepreneurship and the appropriate functioning of SESE in the country; to provide the list of problems of information management of the state regulation of institutional changes in Ukraine; to define the necessity and goals to create the system of information management of the state regulation of institutional changes in the country; to develop and propose the mechanism of formation and functioning of the appropriate system of information management; to provide characteristic features of the developed mechanism of formation and functioning of the system of information management of institutional changes regulations in Ukraine.

<u>Results and discussions.</u> Describing ways of the state regulations improvement of changes of particular institutions and the local institutional system as well as taking into account the scientific work by O. Tkacheva, it is necessary to clearly define a number of concepts, which concern this type of activity of state and municipal authorities:

- cost-efficiency of the state regulation of institutional changes concerns minimum necessary usage of resources to conduct regulation impacts of state and municipal bodies on certain institutions and the institutional system of the country in general. Cost-efficiency is a guarantee of any regulation activity performance, because non-economic usage of resources for management impact implementation leads to the decrease in its efficiency due to the necessity to spend additional funds;

- regulation of effectiveness of institutional changes by the state is reflected in generating maximum volume of the state services of high quality in relation to the cost of resources used for their production. The effectiveness is directly connected with the performance within regulation operation, because it identifies final results of regulating activity;
- the regulation quality of particular institutions and the institutional system in general by the state and local self-government authorities is presented in the value and ability of state services, regulation and management impacts for national business units and households. The quality is a key component of performance of regulation activity of state power institutions, because it characterizes results of such institutions functioning;
- performance of the state regulation of institutional changes is a basic feature of management activity of state and municipal authority bodies, because by uniting efficiency, cost-effectiveness and the quality of their functioning it creates certain institutions and the national institutional system in general and has decisive impact on economic security of entrepreneurship in the country [9, p. 31].

Thus, it can be mentioned that there is a direct connection between cost-efficiency, quality, effectiveness and performance of the state regulation of institutional changes, where the first three components create the last one, which, in its turn, influence the formation of the level of economic security of entrepreneurship in the country and functioning of the national system of economic security of entrepreneurship (Figure 1). Taking into account the stated above, the performance of regulation of institutional changes by state and local self-government authorities is an essential feature of SESE operation in the country.

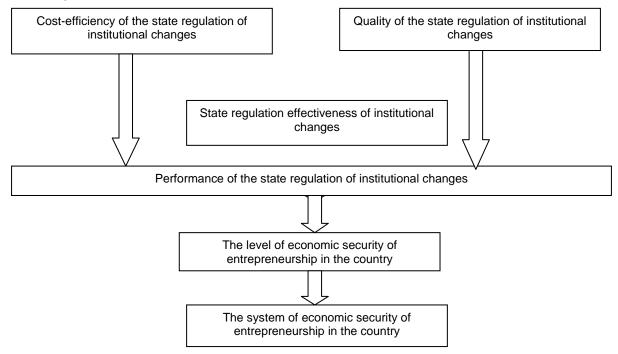


Figure. 1. Relationship between cost-efficiency, quality, effectiveness and performance of the state regulation of institutional changes in the context of provision of the appropriate level of economic security of entrepreneurship and SESE functioning in the country

Source: developed by the author

Studying ways to increase regulation performance of particular institutions and the institutional system by state and municipal authorities in Ukraine, the accent is to be laid on the increase in quality of information management. It is explained by the fact that performance of any management activity, including regulation, depends on the volume, the deadline for receipt, objectivity, and the veracity of information used during this activity.

While estimating the quality of information management of the state regulation of institutional changes in Ukraine, the research has outlined a number of essential problems, including:

- inadequate information quantity to take management decisions by the state and local self-government authorities within transformation of relevant national institutions;
- problems with objectivity and veracity of information received by state and local self-government authorities;
 - the timing of statistic data acquisition by state and local self-government authorities.

Given the stated above, it is appropriate to create the system of information management of the state regulation of institutional changes in Ukraine, operation of which can be aimed at:

- provision of the state authorities with sufficient amount of reliable, objective, and credible information;
- the increase of rapid relevant data (including statistic ones) obtained by power and local self-government authorities.

Describing the information management system of the state regulation of institutional changes in Ukraine, the mechanism of its creation and operation is to be provided (Figure 2).

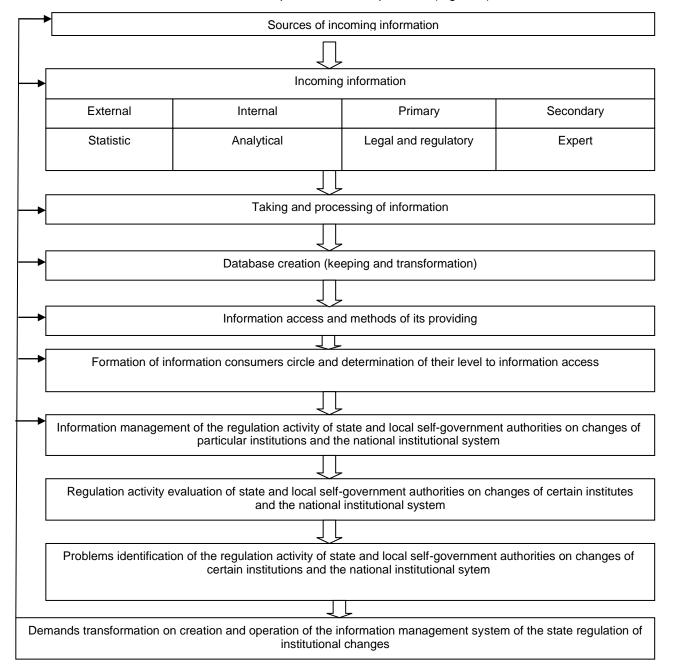


Figure 2. The mechanism of creation and operation of the information management system of the state regulation of institutional changes in Ukraine

Source: developed by the author

The information management system of changes regulation of particular institutions and the national institutional system by state and local self-government authorities must be based on the usage of the widest possible range of incoming information sources. This information can be:

- external in relation to the system of the state regulation, which includes data on development of the world, international and national economic, social and political systems; of local social and economic system and its components; of the system of state regulation and regulation in other world countries;
- internal with respect to the system of the state regulation, which includes data on its development as well as the development and transformation of its components;

- primary obtained from the primary information sources without its further processing. The primary information can be represented by any information (statistic, expert, legal and regulatory);
- secondary obtained after the processing of primary and secondary information, including analytical
 one. It is difficult to use such a type of information to create the system of information management of the
 state regulation of institutional changes due to its possible subjectivity and especially due to pseudo
 objective information understood as such information which meets objective requirement without thorough
 checking;
 - statistic obtained by statistical means and which is mostly quantitative in its nature;
- analytical received by analytical processing of primary and secondary information. Such a processing can be done with the help of an appropriate analyst or a group of analysts (manual processing) and software (mixed processing);
- legal and regulatory, which includes a unity of data on legal and regulatory documents influencing the state regulation of institutional changes in the country;
- expert received by questioning appropriate experts and survey results processing. This information
 has a high level of subjectivity and necessity to use appropriate methods of its processing in order to
 decrease or eliminate its subjectivity.

Analyzing information obtaining and processing within the mechanism of creation and operation of the system of information provision of the state regulation of institutional changes in Ukraine, it is essential to choose the necessary information based on particular criteria, such as accuracy, veracity, objectivity, completeness, conciseness, appropriateness, necessity, meeting of the aim and tasks of the state regulation of institutional changes. Separately, in the context of information processing, one is to concentrate on: its standardization, preparation to the possible automated processing, and exclusion of repetitions and contradictions.

The system of information management of regulation activity of state and local self-government authorities on changes of certain institutions and the national institutional system must include formed databases, where the information is to be kept and processed. The important issues are the appropriate support program of such databases, protection from unauthorized access to the information, the speed of requests enquiries and information provision, protection from loss and making unauthorized changes in information.

The key element of the system of information management of the state regulation of institutional changes in Ukraine is to be the information access and methods of its providing. Discussing the information access, its interface must be understandable, aimed at the maximum shortage of information searching and processing period, automated reports formation in accordance with the enquires received from authorized users. Taking into account local users' level of training, methods of information provision are to be expanded as much as possible. They should include automated (electronic) and manual methods (printing of the appropriate documents on paper).

Information consumers circle creation and determination of their access level to the information is also an important part of the system suggested. In this context, important steps are penetration prevention of unauthorized users, avoidance of highly protected information receipt by users with low-level access, usage of minimum necessary principles with the aim of prevention of unauthorized increase of the information consumers circle.

The research also recognizes that the created system of information management must be used for informational support of the regulation activity of state and local self-government authorities on changes of certain institutions and the national institutional system within economic security of entrepreneurship provision and functioning of the system of economic security of entrepreneurship in Ukraine.

<u>Conclusions.</u> Within the research a rather low performance of the state regulation of institutional changes in Ukraine and a negative impact of the performance of such type of regulation on economic security of entrepreneurship in the country and operation of the national system of economic security of entrepreneurship has been detected. In addition, relationship between cost-efficiency, quality, effectiveness and performance of the state regulation of institutional changes in the context of the appropriate level provision of ESE and the appropriate functioning of SESE in the country have been described.

Within the regulation performance increase of changes of particular institutions and the institutional system by state and municipal authorities in Ukraine, the research has suggested the appropriate system of information management development and implementation. Moreover, formation and functioning mechanism of the information management system of the state regulation of institutional changes in Ukraine has been provided.

The further research should include development and introduction of other ways to increase performance of the state regulation of institutional changes to provide economic security of entrepreneurship in the country.

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