Management strategy for the tourist and recreational complex of the region

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Abstract. The purpose of the research. Substantiation of principles and methods of development of strategy of development of tourist and recreational zones. Methodology. The tasks of the article are solved by means of the general scientific methods of research, namely: analysis, systematization and generalization. The methodological and theoretical basis of the research are the provisions of economic theory, management theory, systematic and sociological analysis, ideas and provisions set forth in the state regulatory documents of Ukraine on the problems of tourism industry development. Results. The problems related to the development of the principles of state management of the regional tourist and recreational complex and the formation of mechanisms for the development of the tourism industry, taking into account the strategy of regional development and the state as a whole, are investigated. The problems of implementation in the Cherkasy region of the Tourism Development Program 2020 are investigated and it is determined that the work of the tourism development sector has a number of specific directions in the policy and management of the tourist complex of the region, which have started to be implemented, in particular: information support for tourists and investors; monitoring of tourist flows; promotion of Cherkassy region’s potential at regional and international exhibitions; attraction and advertising of investment opportunities of the tourist and recreational complexes of Cherkasy region. The analysis and the scheme of realization of the mechanism of investment of recreational projects in the region have been carried out. The implementation of the strategy should include priority action programs, management improvement measures, as well as effective mechanisms for financing the directions of the region’s TRC development in accordance with the chosen strategy. Practical meaning. The proposed approach will help to create in the region’s economic and financial conditions for attracting investments, convergence of banking and industrial sectors of the economy, reducing the risks of lending

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Відбувається розробка стратегії створення нових рекреаційних зон туристичного призначення. Відбувається обґрунтування моделі розвитку регіону відповідно до обраної стратегії. Розроблені принципи і методи розробки стратегії розвитку туристсько-рекреаційних зон. Методологія. Вирішення поставлених у статті завдань здійснено за допомогою загальнонаукових методів дослідження, а саме: аналізу, систематизації та узагальнення. Методологічною та теоретичною основою дослідження є положення економічної теорії, теорії управління, системного і соціологічного аналізу, ідеї та положення, викладені у правових документах України з проблем розвитку туристичної галузі. Результати. Сформована концепція туристичної політики регіону та умови стратегічного розвитку туристсько-рекреаційного комплексу регіону за системного та сценарного підходу.

Анотація. Мета дослідження. Обґрунтування принципів і методів розробки стратегії розвитку туристсько-рекреаційних зон. Методологія. Вирішення поставлених у статті завдань здійснено за допомогою загальнонаукових методів дослідження, а саме: аналізу, систематизації та узагальнення. Методологічною та теоретичною основою дослідження є положення економічної теорії, теорії управління, системного і соціологічного аналізу, ідеї та положення, викладені у правових документах України з проблем розвитку туристичної галузі. Результати. Сформована концепція туристичної політики регіону та умови стратегічного розвитку туристсько-рекреаційного комплексу регіону за системного і сценарного підходу.

Сформована концепція туристичної політики регіону та умови стратегічного розвитку туристсько-рекреаційного комплексу регіону за системного і сценарного підходу. Дослідження проблеми реалізації Програми розвитку турізму 2020 і визначено можливості туристично-рекреаційних комплексів Черкащини. Визначено заходи зі створення сприятливого інвестиційного клімату розвитку рекреаційних комплексів Черкаської області. Розроблена схема реалізації механізму інвестування рекреаційних проектів в регіоні, яка повинна включати пріоритетні програми дій, заходи щодо вдосконалення управління, а також ефективні механізми фінансування напрямків розвитку регіону відповідно до обраної стратегії. Практичне значення. Запропонований підхід допоможе створювати в регіонах економічні і фінансові умови для зауваження інвестицій, зближення банківського і промислового секторів економіки, зниження ризиків кредитування виробників товарів і послуг. Перспективи подальших досліджень. Дослідження методів розробки стратегії створення нових рекреаційних зон туристичного призначення; обґрунтування моделі розвитку місь туристичного призначення; визначення факторів і умов створення нових рекреаційно-туристичних комплексів.

Keywords: management, regional tourist and recreational complex, mechanisms of tourism industry development, regional development strategy.

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1. Introduction.

The improvement of the strategic management system of the tourist and recreational complex (TRC) is conditioned by the priorities of the social policy of the state, which allow solving a number of the most important tasks: creation of an effective mechanism of reproduction of capital and labor resources; development of modern tourism industry and its infrastructure, solving land-use issues and attracting investment, including foreign ones, development of program-targeted and competitive mechanisms of budget financing of tourism and recreation.

The current state of tourism and recreation in the regions of Ukraine can be described as unsatisfactory. The destruction of the existing infrastructure, the lack of adequate financing for development, the crisis in most of the enterprises in this field make it necessary to find ways of restoration and sustainable development of tourism in the regions of our country. In modern conditions, regional shopping malls have a number of serious problems: poor quality of tourist and recreational services provided, poor infrastructure of shopping malls, high level of deterioration of its fixed assets, stagnation of domestic and inbound tourism development.

Problem analysis. The situation can be changed by the development of an effective system of strategic management of the TRC at the regional level, which has a single purpose, strategy, and program of implementation. The tourist and recreation complex has traditionally played an important role in the economic complex of Ukraine, so the problems of its development require detailed study, analysis, and development of management strategy and system of measures to solve them.

2. Literature review.

Critically comprehending the positions of domestic and foreign scientists working on the theoretical and practical problems of strategic management of the tourist and recreational complex in a market economy, in particular, V. Azar (2003), I. Balabanov (2003), O. Molnar (2005), L. Tomanevych (2006a; 2006b), S. Nezdoaminov (2009), S. Kharchkov, S. Nezdoaminov and I. Dyshlovyi (2011), A. Chudnovskij (2014), I. Voloshyn (2015), I. Voloshyn and L. Matviichuk (2018), I. Voloshyn, I. Masechko, M. Butyrina and V. Ratslav (2018), V. Zhmudenko (2018) and others, it can be noted that the problem of building an effective system of management of the TRC at the regional level has not been fully resolved and does not have a unified approach. It should also be noted that there is a lack of research related to the development of the principles of state governance of regional shopping malls and the basics of the formation of mechanisms for the development of the tourism industry, taking into account the current conditions of development of the regions. In this regard, it is necessary to summarize the available research and make its own recommendations for improving the strategic management of the regional TRC.


System approach and system analysis, inductive-deductive method, complex analysis.

4. Research objectives.

The purpose of the article is to improve the theoretical and methodological foundations of strategic management of regional shopping malls, to develop a system of measures for the future development of the shopping malls of the Cherkasy region.

5. Results and discussions.

The regional aspect is important for the functioning, regulation, and management of the tourism and recreational sphere of Ukraine. It is in the regions that specific steps are being taken to form new and restore existing TRCs,
diversify and update them, bind investment projects to specific enterprises, develop entrepreneurship, market reforms are carried out.

The transfer of the center of gravity of market reforms to regions is declared in the statements of all branches of state power. The related decentralization is proclaimed as one of the main principles of public policy.

Generalization of regional experience shows that constructive models for constructing the concept of tourism policy in the region should have such important features. First, the basis for their development must be based on sound ideas and criteria for developing a system of priorities for regional development in the field of tourism, its structural policy.

Second, in order to ensure the implementation of the proposed system of priorities for regional tourism development in the models, it is necessary to substantiate certain forms of the organizational and economic mechanism of functioning of the TRC, that is, it may be about different principles of shaping the tourism policy of the region.

Systematic and scenario management approaches may be used in the formulation of tourism policy in the region.

The systematic approach helps to present tourism policy as a set of realized opportunities of the region through effective use of available tourist and recreational resources and their further results (Fig. 1).

![Fig. 1. A systematic approach in shaping the region’s tourism policy](image-url)
According to this approach, each component of the tourism policy of the region (TPR) is included in the process of creation and sale of a regional product, which is distributed in advance established directions, based on the developed concept of development of a regional TRC, taking into account the necessary perspective of the formation of its production structure and infrastructure, as well as the possible ideal of a state to aspire to.

The scenario approach to the formation of regional tourism policy in the first stage (Fig. 2) uses the results of economic analysis and assessment of the development of the region’s shopping mall. In such circumstances, it is necessary to choose the type of basic strategy of structural transformation of the TRC, which will be appropriate to the specific tourism policy in the region. The second stage defines the key tasks that make up the essence and technological principles of the TPR construction.

**Fig. 2. Formation of tourism policy in the region according to the scenario**

The content of this approach is to formulate, in the current context of diverse economic and political processes, a strategic model of the region’s TRC development, based on objective conditions, and projected estimates of its development, to promote tourism development in the region by any available methods of regional influence in the selected direction.

The concept of tourism policy of the region should include the following components of its scientific and methodological support:

- the scientific concept of the region's tourism policy
- system of priorities of development of the tourist sphere for the region (choice of priority destinations and types of tourism)
- state and regional targeted programs, investment competitions, etc.
- activation of tourist activity in the region
- choosing the type of basic structural strategy transformations of the TRC region
- scientific concept of the TRC region development
- economic analysis and evaluation of the region’s TRC development
- direction of analysis
- specialization and peculiarities of the functioning of the region’s TRC, taking into account the existing TDP
- trends in the TRC region development in the context of market reform
- starting conditions and peculiarities of entering the TRC region into the market
- reform strategy in the region’s shopping mall
- the main directions of tourism policy of the region

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development of the TRC region in the future, which is based on the system of priorities for the development of the TRC and structural policy in relation to it in the region;
- the main directions of the tourism policy of the region, which act as conditions that ensure the implementation of the concept. On this basis, specific proposals are being developed to enhance tourism activities in the region.

Practical forms of implementation of the concept of tourism policy in the region are: the state integrated program of development of the shopping center of the region, other state and regional target programs, investment contests of the projects of the shopping center and the like.

An important condition for ensuring the completion of the strategic management process for regional broadcasters is the ongoing analysis and evaluation of the effectiveness of the process, which consists of economic, social and budgetary components.

In the process of TRC management, in one way or another, practically all departments and branches of regional state administration, as well as sectoral ministries and agencies are involved. The direct management of the TRC in Ukraine is assigned to the Tourism and Resorts Department of the Ministry of Economic Development, Trade and Agriculture of Ukraine.

The Department pursues a unified state tourism policy and manages the TRC, in particular in defining ways and methods of its regulation, developing and implementing socioeconomic policies that ensure the sustainable development of the region.

The main tasks of the department are:
- ensuring the formation and implementation of state policy in the field of tourism and resorts;
- ensuring the development and implementation of tourism and resort development programs in Ukraine;
- ensuring coordination of interregional cooperation on tourism and resorts;
- promoting inland and inbound tourism;
- ensuring consideration of the application for the announcement of natural resort areas;
- ensuring the creation and maintenance of the State inventory of natural territories of resorts;
- ensuring the establishment of appropriate categories of tourist infrastructure (hotels, other facilities for accommodation, catering, resorts, etc.);
- drawing up and issuing the certificate on the establishment of tourist infrastructure of the appropriate category;
- ensuring the creation and maintenance of a register of certificates for the establishment of categories of tourist infrastructure;
- provision of licensing of tour operator activity in accordance with the legislation;
- maintenance of the Licensed Register of subjects of tour operator activity;
- ensuring the implementation of state supervision (control) of compliance by the business entities with the requirements of the licensing conditions of tour operator activity;
- participation in standardization of tourist services and tourist facilities (hotels, other facilities intended for providing accommodation services, catering establishments, resort establishments, etc.);
- participation in represented countries in international tourist organizations and international tourist events;
- dissemination of information about Ukraine and its tourism opportunities in the international tourism market.

The general management of the Government, the strategy of tourism development in the regions, the existing programs and concepts for the development of the industry, which develop the forms and methods of managing the TRC, give an idea of the process of managing the TRC in the region.

Analyzing the strategy of the TRC development in the Cherkasy region, it can be stated that the general purpose of the tourism policy is the development of a competitive TRC capable of presenting high quality and unique tourist products on the national and
international tourist services markets. The goals of this strategy are the development of inland, inbound and sports tourism.

Cherkassy Region’s tourism strategy is documented. Its general orientation is traced in the analysis of the work of the regional administration on the management of the TRC. Under modern conditions, this is a non-priority development, that is, the development of tourism and the stimulation of the development of shopping malls was carried out without highlighting certain priority destinations or types of tourism.

Traditionally, Cherkasy region was a tourist region specializing in recreational tourism, sanatorium and recreation, sports and cultural and educational tourism, sightseeing. Rural green tourism is also developing dynamically. Currently, the “Tourism Development Program 2020” is being implemented in the Cherkassy region (Cherkasy Regional State Administration, 2019). The program proposes a tourism development structure consisting of an interconnected complex of hotels and other accommodation, catering, trade, entertainment and wellness. The program is intended to become a document that defines all the parameters and components of the future tourism structure, methods and stages of its formation.

The main tasks of the Program are:
- implementation in Cherkassy region of the concept of sustainable tourism development as an environmentally safe form of use of natural and cultural resources;
- definition of the main directions of activity of the regional administration for management of tourist resources and the tourist industry;
- formation of a modern tourist market in the region on the basis of competition development, deepening of specialization and cooperation in the work of tourist enterprises;
- priority development of inland and inbound tourism;
- streamlining of property relations in the sphere of tourism, taking into account the peculiarities of the nature of tourism activity;
- stimulating the development of tourism material base (accommodation facilities and infrastructure) by attracting domestic and foreign investments for the reconstruction and new construction of tourist sites;
- creation of a new tourism product that will allow the Republic to become leaders in a short period of time;
- streamlining of property relations in the sphere of tourism, taking into account the peculiarities of the nature of tourism activity;
- development and implementation of advanced technologies of tourist services on the republican tourist market;
- carrying out active advertising activities aimed at forming the image of Cherkasy region as a region favorable for tourism development;
- implementation of a complex of scientific researches in the field of tourism with the participation of scientific institutions of Cherkasy region.

The implementation of the Program will allow:
- to gain competitive advantages in the tourist market, to strengthen the status of Cherkassy region as a tourist center;
- to stop the annual decrease in the indicators of the tourism sphere of Cherkasy region;
- to increase the revenues of sanatoriums, tourist companies and other organizations working in the field of tourist reception and service, and therefore tax revenues to budgets of all levels;
- to attract investors’ attention to financing the development of the tourism industry in Cherkasy region;
- to create favorable conditions for involvement in the sphere of tourism business of small and medium-sized enterprises.

The analysis of the state of specific directions of investment policy in the shopping center of Cherkasy region showed the presence in the region of certain policies in the areas of attracting bank capital, creation of a favorable investment climate in the TRC region (Table 1).
However, the methods of influence of regional authorities in this area are clearly not enough. The components of the region’s TRC investment policy, such as raising funds from the population, depreciation policy, and stimulating the use of business profits for investment purposes, have not been practically elaborated. A policy is underway to develop the securities market, the insurance market, and the leasing market.

At the same time, the efforts and work of the tourism development sector point to a number of specific directions in the politics and governance of the region’s TRC, which have begun to be implemented:

- information support for tourists and investors;
- monitoring of tourist flows;
- promotion of Cherkasy region’s potential at regional and international exhibitions;
- Attraction and promotion of investment opportunities of the TRC of the Cherkasy region.

However, it should be noted that management functions are strongly differentiated and differentiated between different departments and levels of government. As a result, control efficiency is almost zero. There is no strategic approach to management, no clear goals and guidelines for development. Recently, there has been a tendency to streamline and strengthen TRC governance at the regional level, but it is too early to talk about the normal state of affairs. The TRC of the republic has a lot of problems and negatives, which need to be solved jointly both at the level of an individual tourist enterprise and with the active participation of the state in the face of a branch ministry.

Analyzing the situation of development of entrepreneurship in the sphere of recreation of the Cherkasy region, it should be noted that the investment of various forms of entrepreneurial activity is ineffective, this fact is caused by the fact that the Cherkasy region cannot withstand such recreational territories as the Carpathians and the Black Sea coast.

In this regard, it is possible to create targeted regional programs that stimulate investment activity. It should develop mechanisms for mobilizing the funds of domestic and foreign investors for the active development of entrepreneurship in the recreational sphere.
Structural and logical scheme of the mechanism of investment of recreational enterprises in the system of regional economy can be presented as follows (Fig. 3). This scheme shows that financial institutions can have a major impact on investment decisions and management in the recreational area of the region, given the environmental impact.

Fig. 3. Scheme of implementation of the investment mechanism of recreational projects in the region
Fig. 3 reflects the functions of recreational related organizations – intermediary institute, development fund, investor. The financial instruments used in the implementation of the aforementioned programs and projects, as well as the functions of a recreational intermediary institution that are part of the mechanism for investing recreational projects in the region, are listed.

In the proposed scheme, the role of the mediator is to address the important task of constructive interaction of public authorities and recreational businesses in the region as part of the targeted mechanism for attracting additional investments to create effective structures and development of the infrastructure of the region. The effectiveness of creating an intermediary organization is dictated by the fact that not always entrepreneurs, having an interesting project, can implement it. In this case, the mediator determines the attractiveness, competitiveness and economic feasibility of the project.

This approach will help to create in the region’s economic and financial conditions for attracting investments, convergence of banking and industrial sectors of the economy, reducing the risks of lending to producers of goods and services. For this purpose, the following regulatory mechanisms should provide for the following mechanisms:

- provision of investment tax credits at the expense of the state budget;
- repayment, at the expense of the state budget, of the expenses of enterprises carrying out investment projects on payment of interest for the use of long-term bank loans;
- partial financing of investment costs of enterprises at the expense of credit resources of banks and local budget funds, which would halve the cost of interest payments for the use of borrowed funds;
- financial guarantees of investments at the expense of the assets of the respective fund planned in the budget of the country’s development;

- providing guarantees to small businesses by the State Small Business Support Fund;
- creation of bank tranches to finance merged investment projects;
- competitive selection of investment projects for funding from all possible sources.

According to the proposed concept, Cherkassy region will be able to take advantage of its advantages (available tourist and recreational potential, unique geographical position) and achieve the development of effective and priority directions of TRC. It will strengthen its role as an active tourist center, which provides quality and unique tourist products to both domestic, tourists and tourists from foreign countries. The tourist product will become more qualitative, attractive and differentiated. Among the unique services may include congress, extreme and sports tourism, which will attract fundamentally new groups of tourists, stimulate the development of the service manufacturing sector, create an influx of investment in the region’s TRC, related businesses and related industries, provide the region with new jobs. This approach should be implemented in three stages. The first will focus on improving the organizational and material infrastructure of the republic, it will last about 3 years. During the second phase, there will be a major improvement in the placement base. In addition, significant development of the sports and sightseeing tourism sectors is envisaged. This phase will be somewhat intersecting with the first, lasting about 7 years and will provide a small increase in the number of foreign tourists. The final stage will give preference to the development of extreme and congress tourism, as well as child and family tourism. It will continue throughout the second decade of the Strategy’s implementation period.

The implementation of the strategy should include priority action programs, management improvement measures, as well as effective mechanisms for financing the
directions of the region’s TRC development in accordance with the chosen strategy.

Based on the basic goals of the development of the TRC Cherkasy region, priority programs of actions for the implementation of the strategy were established:

1. Increasing extrabudgetary sources of investment in the region’s shopping malls;
2. Restoration and development (improvement) of tourist infrastructure of the region;
3. Development of pilgrimage, congress and excursion tourism;
4. Creation of a positive tourist image of Cherkasy region;
5. Strengthening of regional TRC management institutions;
6. Creation of a system of information support for the TRC of the region and institutes for its servicing;
7. Marketing in the TRC region;
8. Improvement of the material and technical base.

Each of these programs is relevant during the strategic period and should include specific projects. They will need to continue until the end of the period. Each of these programs will be assigned one responsible person from among heads of regional state bodies, who will guarantee access to resources and their efficient use.

During this period there will be a serious growth of new TRC branches, such as sports, archeological, ecological pilgrim tourism, some of them may become branches of the TRC region specialization by the end of the considered period, while others will be able to make regional tourist product diverse (and differentiated) and thus more attractive, domestic and international tourists.

6. Conclusions.

An important aspect of implementing the chosen strategy is its effective organization. The analysis showed the presence in Cherkasy region of a whole complex of problems in the sphere of TRC management and its marketing, among them: insufficient scale of the regional structure of TRC management, lack of financing, weakness of implementation and control of the planned measures, lack of adequate technical and information equipment of the regional governing bodies, the disparity of the regional structures managing the individual constituents of the TRC. The solution of these problems is possible through consolidation of all branches of economic activity of the region in the direction of development of the tourism sphere, hospitality industry, and at the same time, socio-cultural uplift.

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