

З. Варналій, д-р екон. наук, проф.,
І. Савич, асп.
КНУ імені Тараса Шевченка, Київ

ПЕРЕДУМОВИ ТА ЧИННИКИ ФОРМУВАННЯ ТІНЬОВОГО СЕКТОРУ ЕКОНОМІКИ УКРАЇНИ

В статті розглядаються соціально-економічні аспекти причинності мінізації національної економіки. Досліджено теоретичний внесок зарубіжних та вітчизняних вчених щодо передумов становлення тіньового сектору економіки в трансформаційних економічних системах. Проаналізовано теоретичний погляд на чинники мінізаційних процесів в економіці України з точки зору сучасних наукових досліджень.

Ключові слова: мінізаційні процеси, тіньова економіка, протидія мінізації, трансформаційна економіка, економічна свобода, корупція.

З. Варналій, д-р екон. наук, проф.,
І. Савич, асп.
КНУ імені Тараса Шевченка, Київ

ПРЕДПОСЫЛКИ И ФАКТОРЫ ФОРМИРОВАНИЯ ТЕНЕВОГО СЕКТОРА ЭКОНОМИКИ УКРАИНЫ

В статье рассматриваются социально-экономические аспекты причинности тенизации национальной экономики. Исследован теоретический вклад зарубежных и отечественных ученых относительно предпосылок становления теневого сектора экономики в трансформационных экономических системах. Проанализированы теоретические взгляды на факторы тенизационных процессов в экономике Украины с точки зрения современных научных исследований.

Ключевые слова: тенизационные процессы, теневая экономика, противодействие тенизации, трансформационная экономика, экономическая свобода, коррупция.

УДК 338:658.012.23
JEL I24, M19

V. Voloshina, Postgraduate Student
Taras Shevchenko National University of Kyiv, Kyiv

THE STRATEGIC MANAGEMENT TOOLS FOR HIGHER EDUCATION INSTITUTIONS

The strategic management tools have been investigated in the article. Their definition and classification has been improved. The strategic management tools for use in higher education institutions have been singled out in the study according to the stages of strategic management.

Keywords: Higher education institution, competitiveness, strategic management tool.

"The most important area for developing new concepts, methods, and practices will be in the management of society's knowledge resources – specifically, education and health care, both of which are today overadministered and undermanaged."
Peter Drucker, 1997

Problem statement. Higher education organizations around the world have always faced environmental changes. However, in the past decade altered societal expectations, new public policies, and technological innovations have created an unprecedented set of challenges for universities. Although the borders of universities have opened in new ways for their services and products, they have been the subject of increased public scrutiny from diverse constituencies. While under such scrutiny, higher education institutions have been simultaneously identified for their potential as a key catalyst in the development of new knowledge organizations and the "digital" economy, especially in the Western world.

In recent years, the development of higher education is closely related to its restructuring. Changes in the structure of the education system, development of market relations in education, increased competition in the education market and many other factors have a significant impact on the conditions of higher education institutions (hereinafter referred to as HEIs) activity. The HEIs external environment has undergone radical changes, which is characterized by a high level of uncertainty and risk. Significant changes have occurred in the management of the higher education system, regulation of its state, public schools funding, and formation of private sector of higher education. The majority of the universities were involved in the market-oriented activities based on the competition for public resources and peoples' money studying on a paid basis. These changes cannot be ignored; therefore, HEIs are forced to apply new methods of strategic management. To achieve real change of the HEIs' internal management, more specifically to move from the operational management to the strategic

one, it is necessary to conduct a quality planning of development, implementations, evaluation and other key aspects of strategic management, that are all interrelated, as well as to form an effective management mechanism.

Analysis of the latest studies and publications. The issue of higher education institutions' management has been investigated in the works of Lukashenko, Maysakov, Shlykov, Arzhenovsky, Balyhin, Bailey, Gorelik, Johnston, Yehorshyn, Zhiltsova, Kachalova, Klyuyeva, Knyazev, Korotkov, Kuz'minov, Morgan, Skarzhinsky and others.

The problem of strategic analysis tools classification has been studied by such domestic and foreign scholars as Gordienko, Didkovska, Ignatiev, Osovska, Persia-Verhunencko, Redchenko, Saienko, Fishchuk, Yashkina and others. Barancheyeva, Demyanova, Pastukhova, Skibitskyi etc. have attempted to systematize the methods, models and techniques of strategic management.

Most of the abovementioned scientists did not set the classification of strategic analysis tools as the main goal, which is why some of them made their grouping without distinguishing criteria of classification.

Research objective. To reveal the essence of strategic management and its tools. To single out the strategic management tools, which can be used for higher education institution according to the strategic management stages.

Main results of the research. Nowadays the world economy is changing rapidly. Because of the growing competitiveness, technological change and globalization, organizations have to adapt quickly to fast changing market conditions. They have to become more flexible and adaptable in order to be more competitive. Otherwise, they will collide with difficulties and problems, and in the long run

cease to exist. In recent years, strategic management has become very essential among the HEIs.

The first works that mention the concept of strategic analysis belong to such famous scientists as Ansoff, Thompson and Strickland. The Ansoff's classic evolutionary concept of strategic management is very popular, and is supported by such scholars as Shershenova, Aaker, Grant, Vihansky, Kovtun.

Ansoff was the first to put forward the strategic management in his book "From Strategic Planning to Strategic Management". Later he defines strategic management as an activity associated with setting goals and objectives of the organization, maintenance of relationships between the organization and its surrounding that help it to reach its goals, correspond to its internal capabilities and let it remain susceptible to external demands [11]. Strategic management can be defined not only as a process but also as a system: a set of decisions and actions of policy

formulation and implementation designed to achieve the goals of the organization [7].

Thus, strategic management can be defined as the process of managing an organization based on its potential, that directs its activities towards consumer requests, provides flexible management and timely changes in the organization, meets the challenges of the surroundings and allows to create and maintain competitive advantages, all of which make it possible for the organization to survive and achieve its objectives in the long term.

The basic model of strategic management includes external and internal analysis, strategy formulation, strategy implementation, evaluation and control. Strategic management process creates a new level of competitive advantage (Figure 1).

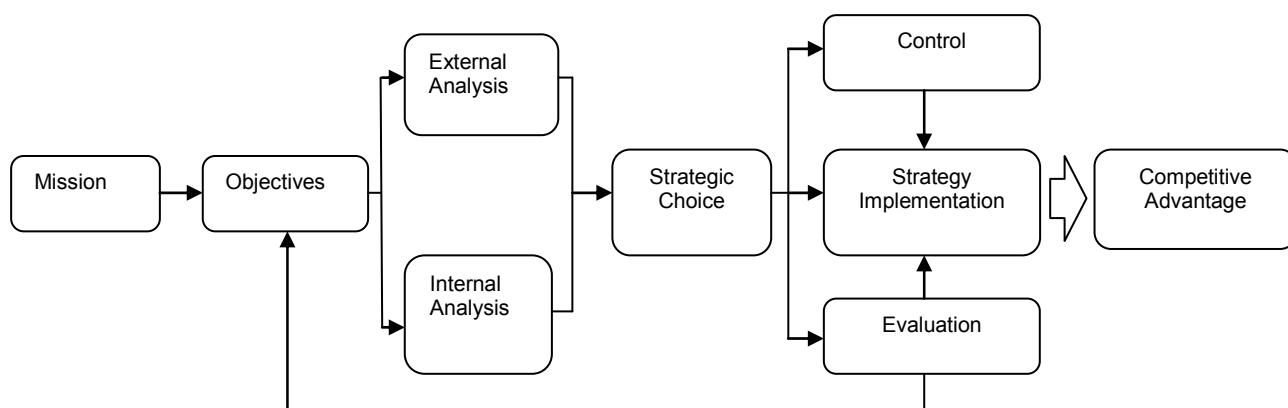


Figure 1. The strategic management process*

* Source: Compiled by the author.

The development (or degradation) of the latter forms a so-called spiral of competitiveness (Figure 2). Its every step, for the sake of effective implementation, should be provided with appropriate tools of strategic management.

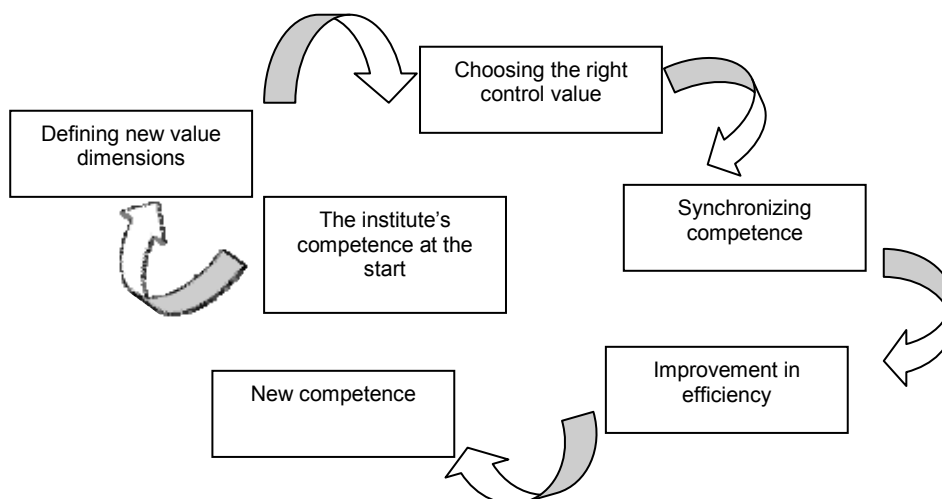


Figure 2. Competitiveness spiral*

*Source: [6, p. 5.65].

The environment of university and society in general has been recently undergoing significant changes in demographic, economic, social, technological, as well as national and international competitiveness. Obviously, these changes also affect organization and management of

HEIs. Faced with these challenges, institutions have begun to adapt and use strategic management tools, in order to facilitate continuous adjustment to these new situations. Consequently, the number of universities, which have initiated the application of some kind of tool to support their

strategic management, has increased significantly. However, this growth has occurred in a scattered way, in terms of both content and processes, which has not been accompanied by specific studies.

Despite the fact that academics and practitioners have increasing interest in strategic management, there is no clear definition of strategic management tools and techniques.

For example, Knott [5, p. 1091] defines that the term "strategy tool" is used to encompass the full range of concepts, ideas, techniques and approaches that structure or influence strategic thinking, decision-making and strategy implementation activity. Strategy tools act as a guide to thinking and a starting point for structuring strategic management activity. Stenfors and Tanner give another definition: "strategic management tools and techniques – heterogeneous group of products designed to support organizations in dealing with the complex demands of competitive markets and the quest to create and maintain strategic advantages" [9, p. 637].

The analysis of the definitions suggests that strategic management tools and techniques are:

- various techniques, approaches, methods, tools and concepts;
- supporting strategic decision-making;
- simplifying and representing a complex situation;
- supporting different phases of strategic management process.

Thereby, according to the above mentioned features we can formulate the following definition: strategic management tools (hereinafter SMTT) are the means of organization that serve to achieve the set task within the existing real situation, resource and other limitations and support managers in all phases of strategic analysis (starting from mission and objectives analysis, strategic decision making and up to implementation). For instance, some of the tools and techniques help managers to view the business portfolios; others to analyze market situation and predict the future development of the company.

The potential contribution of strategic management tools and techniques should not be underestimated, because they:

- claim to support solving a wide range of strategic problems;
- provide diversity by creating points of view;
- aid individual and corporate communication;
- claim to be designed for executives to help them make decisions, analyze environment, understand relations, predict future, and find solutions to management problems; [13, p. 635-645];
- arrange information and present it in different forms that helps to increase awareness, reduce the risk involved in making certain decisions;
- provide a framework for evaluating the relative importance of different business portfolios.

According to the literature review, the number of the SMTT is constantly increasing while new tools are added. It should be noted that there is no universal classification of the tools. Hence, to understand their nature and to help managers in making a right choice we need to classify the SMTT.

The first classification of strategic management tools was done by Prescott and Grant who estimated 21 techniques according to 11 dimensions. They selected such criteria as:

time, required to implement technique; financial sources, required to conduct an analysis with the given techniques; managerial skills, which were classified according to the five groups (technical, interpersonal, conceptual, diagnostic, and analytic); sources (people, products, written materials, etc. where the information can be obtained from); availability ("off-the-shelf", "derived from analysis", and "customized"); timeliness; accuracy constraints; updating requirements; advantages and limitations [8, p. 10-22].

An attempt to classify the tools of strategic analysis was undertaken by I.A. Ignatieva who emphasized the following classification criteria:

- 1) the object of analysis (method of the external and internal environment analysis, business objectives);
- 2) the nature of indicators and their information support (quantitative and qualitative methods);
- 3) methods of indicators research (dynamic analysis of indicators, comparative analysis, reference);
- 4) information processing tools (automated and non-automated) [14, p. 93].

O.M. Skibitskyi, V.P. Barancheyeva and V.V. Pastukhova grouped the tools according to the strategic analysis stages [15, p.133-134; 17, p. 125; 8]:

1. analysis of the internal environment (the method of product life cycle, life cycle of an enterprise, the Porter's generic strategies model, the experience curve, etc.);
2. analysis of the external environment (the Porter's concept of "five competitive forces", PEST analysis, etc.);
3. analysis of the mission and goals (the objectives tree method, the model of enterprise management system);
4. identification of the strategic potential (the comparison method, descriptive analysis);
5. evaluation of the market attractiveness (the concept of strategic business unit, extrapolation, expert evaluation, modeling);
6. evaluation of the strategic position (statistical analysis and McKinsey matrix);

But unlike V.P. Barancheyeva, O.M. Skibitskyi and V.V. Pastukhova suggested other phases of strategic analysis that significantly differ in their content.

It is difficult to compare the existing classifications because of the different dimensions, methodologies, time issues as well as different sets of tools and techniques. However, it can be argued that the classification in the recent studies is more sophisticated than in the early ones, because academics focus more on the specific features related to the SMTT and on reflecting their role in the strategic decision making process.

Nowadays, in the conditions of the environmental turbulence and market globalization the managers of HEIs increasingly focus their attention on the utilization of different tools and techniques. The organization should understand that the manager's perception of SMTT is very important. According to Hussey "techniques do not make a strategy: this is the role of managers" [4, p. 97].

Therefore, it is convenient for descriptive purposes to illustrate the sphere of application of the most used tools for HEIs at every stage of the strategic management (Table 1).

Table 1. The most common strategic management tools for HEIs (with respect to the strategic management stages)*

The main stages of strategic management Strategic management tools	→Strategic analysis →			→Strategy development, decision-making →	→ Strategy implementation and control →
	Mission and objectives analysis	Analysis of the company's potential, its environment and their interaction	Analysis of the strategic portfolio	Development and analysis of alternative strategies (strategic decisions) and the choice of optimal strategies (strategic decisions)	Analysis of the chosen strategy's effectiveness (strategic decisions)
SWOT analysis		+		+	
PEST(+ EFAS) analysis		+			
Porter's 5 forces		+			
Shell / DPM matrix		+	+	+	
GE / McKinsey Matrix		+	+	+	
PIMS matrix		+		+	
SNW analysis		+			
Gap analysis		+			
ADL Matrix		+	+	+	
SPACE matrix		+		+	
Balanced Scorecard	+	+		+	+
Ansoff Matrix				+	
Market analysis		+			
Benchmarking	+	+	+	+	+
BCG Matrix		+	+	+	
MCC Matrix	+		+		
Competence analysis		+	+	+	
VRIO					
EFQM		+	+	+	+
APPMC		+	+	+	
Disaggregation method	+				
Method of providing conditions	+				

*Source: Compiled by the author based on [1; 2; 3; 4; 6; 10; 13; 14; 16].

The differentiation of strategic management tools according to the main stages of analysis and tasks will enable: 1) to compare them more clearly in order to identify relationships between the indicators, which they are based on; 2) to evaluate coincidence of the results obtained by different methods (models, approaches).

Each of the strategic management tools has its advantages and disadvantages, thus its choice should be based on the needs, available resources (including information)

and the type of individual HEI. Among the common disadvantages of the strategic analysis tools there are: ignoring the investigated object features that set it apart from the competitors; the lack of complete and accurate information for analysis; subjectivity; diversity of the indicators which are subject to evaluation.

To create the synergistic effect and compensate the disadvantages the strategic management tools should be integrated. An example of such integration is shown in Figure 3.

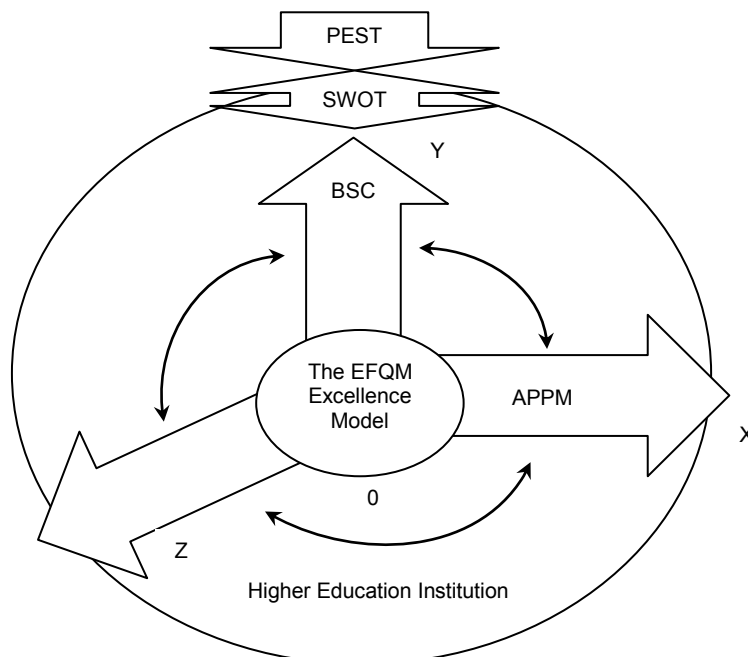


Figure 3. Model of the integrated strategic management tools*

*Source: Compiled by the author.

Under the influence of globalization, transfer of knowledge to the society and commercialization of educational services sphere, the quality of the latter (educational services) becomes one of the main criteria of competitiveness not only of HEIs but also the economy in general. Therefore the quality management principles are the basis of this complex. The EFQM Excellence Model is a non-prescriptive framework for organizational management systems, promoted by EFQM (formerly known as the European Foundation for Quality Management) [6, p. 5.67]. It is based on the assumption that excellence is achieved through leadership driving policy and strategy, that is delivered through people, partnership, resources, and processes. The fundamental concepts which underpin the EFQM Excellence Model are: results orientation, customer focus, leadership and constancy of purpose, management by processes and facts, people development and involvement, continuous learning, innovation and improvement, partnership development, and corporate social responsibility.

The study of the influence of external and internal factors/capabilities using PEST (political, economic, social and technological factors, which are used to assess the market for a business or organizational unit) and SWOT (analysis of strengths, weaknesses as internal factors and opportunities, threats – as external factors) analysis tools provides the information for management decisions and formulating strategic goals.

The balanced scorecard (hereinafter BSC) is a conceptual framework for translating an organization's vision into a set of performance indicators, which is distributed among four perspectives: financial, customer, internal business processes and learning and growth. Considering the clockwise stream from mission to business results in the model of strategic management and the downstream from vision to action plan in BSC, it is concluded that the use of BSC provides the means of vertical decomposition of vision to action plan.

The Academic Program Portfolio Model (hereinafter APPM) is a product portfolio strategic analysis tool customized for universities [4, p. 6]. It is adapted from traditional product portfolio models in widespread use by business organizations. The two dimensions, the program's marketplace attractiveness and capabilities of the program and institution, define the APPM and incorporate characteristics of the academic/research program, academic institution, and marketplace in which they operate. The APPM's systematic analysis guides administrators in the determination of strategic direction, resource allocation, and performance expectations. Its use provides a horizontal analysis of the structural units (departments, academic and research programs, fields of activity).

Benchmarking is an ongoing, systematic process for measuring and comparing work processes of one organization to those of another intended to identify best practices. The use of benchmarking in its turn integrates compatible items of BSC in the strategic management model (namely, in the evaluation) and provides deep analysis of the results and the management itself both inside the organization (between faculties, departments, institutes, projects) and outside (between competitors and/or organizations of other fields of activity).

The integrated model not only provides a holistic approach for performance evaluation, it reduces information asymmetry and consequently minimizes the possibility of adverse selection and related costs. This system has great flexibility to be further extended and integrated with other management approaches.

However, using these tools you must consider a number of problems that hinder the application of strategic management in HEIs:

- 1) high degree of turbulence in the HEIs' external environment;
- 2) lack of methods of internal and external surroundings analysis and procedures for identification and coordination of the environment and HEI's interests;
- 3) insufficiently developed methodological background of the information component of the HEI strategic management;
- 4) dearth of accurate and timely information, up-to-date with the problems of gaining the strategic priorities;
- 5) most of participants in the strategic management process do not have the strategic vision;
- 6) significant complication of the strategic planning in the HEI through the contradictory positions of authority towards the development and management of higher education.

Consequently, there are many approaches to combining tools of strategic management, based on needs, goals and opportunities of the HEIs. However, the discussed approaches alone seem to be insufficient for strategic performance measurement in organizations. They have to be accompanied by new efforts, and they should be viewed from a new, much more integrative and comprehensive perspective.

Conclusions and prospects of further research on the issue. Universities are operating in a turbulent environment characterized by difficult economic conditions, instability in financial markets, decreased federal and state funding, constraints on employment opportunities, and fluctuating student demand. University administrators face the same strategic planning challenges as the top managers in a business organization. Administrators, like corporate managers, are responsible for the allocation and alignment of limited resources so that the university serves its mission and meets its objectives. Faced with changes in the environment that are completely outside the control of the institution (macro trends), university administrators must rely on strategic analysis to guide the allocation of scarce and valuable resources. Therefore, one should select the most situation-appropriate complex of integrated strategic management tools. Through strategic management, university administrators are able to sustain a clear and meaningful differential advantage relative to competition and to increase the likelihood of meeting long-term organizational objectives consistent with the institution's mission.

References:

1. Afonina Anna The Current Strategic Management Tools and Techniques: the Evidence from Czech Republic / Anna Afonina, Vladimír Chalupský // *Economics and Management*: 2012. 17 (4). – P. 1535-1544.
2. Arjomandi Maziar An EFQM excellence model for higher education quality assessment [online] / Arjomandi Maziar; Kestell Colin, Grimshaw Paul // 20th Annual Conference for the Australasian Association for Engineering Education, 6-9 December 2009: Engineering the Curriculum. Barton, A.C.T.: Engineers Australia, 2009: P. 1015-1020. – Available from: <<http://search.informit.com.au/documentSummary;dn=920104362469265;res=IELENG>>.
3. Cao Zhongqiu On the Strategic Management of the Colleges and Universities / Cao Zhongqiu, Zhang Xinmin // *Proceedings of 2009 International Conference on Education Management and Engineering*. – 2009, Jul. – P. 359-363.
4. Hussey D. Glossary of techniques for strategic analysis / D. Hussey // *Strategic Change Journal*, 1997. 6. – P. 97-115.
5. Knott P. Typology of strategy tool applications / P. Knott // *Management Decision Journal*, 2006. 44, No. 8. – P. 1090-1105.
6. Matkó Andrea The Strategic Management Tools and their Relation to Competitiveness in Higher Education / Matkó Andrea, Szűcs Edit // *ANNALS of the Oradea University. Fascicle of Management and Technological Engineering*. – 2012. Vol. XI (XXI), NR2. P. 5.63-5.69.
7. Pearce J.A. Strategic Management: Strategy Formulation and Implementation / J.A. Pearce, R.B. Robinson Jr. – 2nd edition, Homewood, IL: Richard D. Irwin, Inc., 1985, 1041 p.
8. Prescott J. A Manager's Guide for Evaluating Competitive Analysis Techniques / J. Prescott, J. Grant // *Interfaces*, 18, 1988. – P. 10-22.

9. Stenfors, S. Executive Use of Strategy Tools: Building Shared Understanding through Boundary Objects / S. Stenfors, L. Tanner, I. Haapalinna // *Frontiers of E-Business research*. – 2004. – P. 635-645.

10. Wells Rebecca Academic program portfolio model for universities: Guiding strategic decisions and resource allocations / Rebecca Wells, Charles Wells // *Research in Higher Education Journal*. – Available from: <<http://www.aabri.com/rhej.html>>

11. Ansoff I. Strategicheskoye upravleniye / I. Ansoff. – M.: Ekonomika, 1989. – 358 s.

12. Balobanov A.E. Strategicheskoye planirovaniye razvitiya universiteta / A.E. Balobanov, A.K. Klyuev // *Universitetskoye upravleniye: praktika i analiz*. – 2002. – № 2. P. 19-27.

13. Baranchev V.P. Strategicheskij analiz: tehnologija, instrumenty, organizacija [Electronic source] / V.P. Baranchev // *Problemy teorii i prac-*

tiki upravlenija : mezhdunarodnyy zhurnal. – 1998. – № 5. – [site]. – URL: www.uptp.ru/articlesall_3052.html.

14. Ihnatieva I.A. Stratehichnyi menedzhment: teoriia, metodolohiia, praktyka : [monohrafiia] / I.A. Ihnatieva // *Kyiv nats. un-t. tekhnolohii i dyzainu*. – K. : Znannia Ukrainy, 2005. – 249 p.

15. Levyk I.S. Instrumentarii stratehichnoho analizu: klasyfikatsiia, perevahy ta nedoliky vykorystannia / I.S. Levyk // *Nauka y ekonomika*, 2010. – № 2 (18). – p. 132-138.

16. Mizhdystsyplinarnyi slovnyk z menedzhmentu navch. posib. / [Za red. D. M. Chervanova, O. I. Zhylinskoi]. – K. : Nichlava, 2011. – 624 p.].

17. Pastukhova V.V. Strategichne upravlinnya pidpryyemstvom: filosofiya, politika, efektyvnist : [monografiya] / V.V. Pastukhova / *Kiiv. nats. torg.-ekon. un-t.* – K., 2002. – 302 s.

Надійшла до редакції 10.06.13

В. Волошина, асп.
КНУ імені Тараса Шевченка, Київ

ІНСТРУМЕНТИ СТРАТЕГІЧНОГО УПРАВЛІННЯ ДЛЯ ВИЩИХ НАВЧАЛЬНИХ ЗАКЛАДІВ

У статті досліджуються інструменти стратегічного управління. Поліпшується визначення та їх класифікація. Виділяються інструменти для використання у вищих навчальних закладах відповідно до етапів стратегічного управління.

Ключові слова: Вищий навчальний заклад, конкурентоспроможність, інструменти стратегічного управління.

В. Волошина, асп.
КНУ імені Тараса Шевченка, Київ

ИНСТРУМЕНТЫ СТРАТЕГИЧЕСКОГО УПРАВЛЕНИЯ ДЛЯ ВЫСШИХ УЧЕБНЫХ ЗАВЕДЕНИЙ

В статье исследуются инструменты стратегического управления. Улучшается определение и их классификация. Выделяются инструменты для использования в высших учебных заведениях в соответствии с этапами стратегического управления.

Ключевые слова: Высшее учебное заведение, конкурентоспособность, инструменты стратегического управления.