

MTMSD 2022

I International Conference «Modern Trends in Governance and Sustainable Development of Socio-economic Systems: from Regional Development to Global Economic Growth»

CONCEPTUAL MODEL OF INNOVATION AND INVESTMENT PROCESSES MANAGEMENT IN SUSTAINABLE SOCIO- ECONOMIC DEVELOPMENT

Liudmila Filobokova (a)*, Victoriya Nyarginen (b)

*Corresponding author

(a) MIREA - Russian Technological University, Moscow, Russia, filobokova@list.ru

(b) MIREA - Russian Technological University, Moscow, Russia, nyarginen@mirea.ru

Abstract

The paper considers problems and individual aspects of the conceptual management model of innovation and investment processes of advanced development of systems of macro and mesolevel, which is the most demanded in modern conditions, predetermined by the imperatives of globalization and increased competitiveness. The paper presents the author's interpretation of the essence of conceptual model according to which higher growth rates are provided by human-oriented paradigm of economic development within the framework of the realization of which innovation and investment processes should be focused on progressive structural transformation to increase the share of segmentation of high-tech and science intensive industries, concentration of available potential on the development of non-resource sector of economy, knowledge-intensive services and increasing competitiveness. The basic postulates, criteria and system of indicators of efficiency of management of advanced development on the basis of the developed conceptual model are offered. It is offered to consider the economic policy in its contents and realization mechanisms as one of the management tools of innovation-investment processes of advanced development.

2421-826X © 2024 Published by European Publisher.

Keywords: Sustainable development, Innovation and investment processes, Investment for economic development

1. Introduction

The basic priorities of national development for the period up to 2030 are fixed by Decree No. 474 of 21.07.2020 “On the National Development Goals of the Russian Federation for the period up to 2030”, signed by the President of the Russian Federation. Such basic priorities of the national development of the Russian Federation as improving the quality of life of the population, creating comfortable conditions for living and for the disclosure of the talent of each individual, increasing the population, allowing for the breakthrough development of the country, have been preserved (According to Decree of the President of the Russian Federation No. 474 of 21.07.2020 “On the National Development Goals of the Russian Federation for the period up to 2030”).

In economics, the problem of economic growth and development continues to be central, which is imperatively predetermined by the goal of improving the quality of life of the population, which in one way or another is associated with ever-increasing needs (Filobokova & Nyarginen, 2023).

The difference of growth and development is clearly expressed by the Russian scientist N.P. Figurnov, noting that the economic growth of the national economy is reflected in the increase of gross domestic product and national income as a source to meet the needs of society, while economic growth, reflecting the quantitative increment created products that are impossible in the long term without economic development, creating conditions and growth at a new qualitative level.

No less well-reasoned is the interpretation that economic growth and development are quite independent processes. Economic growth in the context of sustainable development involves the mass introduction of energy- and resource-saving technologies, changes in the structure of the economy, the structure of personal and industrial consumption in order to preserve a favorable environment and natural resource potential.

The modern economy is based on the concept of sustainable development, which defines that if economic growth based solely on quantitative indicators eventually leads to self-destruction (and thus it is “unsustainable”), then what is understood as economic development in a qualitative sense is sustainable.

The authors believe that advanced development is a sustainable development achieved through the development and implementation of effective control measures for the formation (creation) of new trajectories of movement of systems (macro, meso and micro-level), providing positioning corresponding to a given (reference) level (Larin & Stebenyaeva, 2022).

Undoubtedly, the choice of the model of the concept (conceptual model) of advanced development management is influenced by a wide range of factors, the main of which are the following: the structure of the economy; the potential of the system; the institutional environment; infrastructure support (Makhkamova & Närginen, 2022a).

2. Research Methods

The theoretical and methodological basis of the research is based on the approaches and conceptual positions of such sciences as economic theory, regional economics, institutional economics, and strategic management (Afanasiev et al., 2022). The research is based on the synergetic paradigm, the concepts of sustainable and advanced development, the system, reproductive and institutional approaches

used in the substantiation of the conceptual management model of innovative and investment processes of advanced development. In the process of the study general scientific methods of theoretical and empirical knowledge were used: a method of scientific abstraction, analysis and synthesis, modeling method, classification method, system, statistical, functional, structural and economic analysis, expert evaluation, performance evaluation (Filobokova & Zhdankina, 2021; Zhukovskaya, 2022).

3. Findings

The author's interpretation of the content (essence) of the conceptual model of traffic control (development processes) macro and meso level systems to "advanced development" is based on the nomination and the proof of the conclusion that higher growth rates (compared to the framework adopted for the standard) is also provided with human-centered paradigm of economic development, in the framework of which innovation and investment processes should be focused on progressive structural transformation to increase the share of segmentation of products (works, high-tech and knowledge-intensive industries, the concentration of the existing potential on the development of the non-resource sector of the economy, knowledge of intensive services with an increase in the share of their exports (Makhkamova & Närginen, 2022b).

Innovation and investment processes within the framework of the proposed management model are, first of all, processes associated with the concentration of investments in human capital, which ensures the development of the potential for competitiveness, and its effective use – increasing the level of competitiveness, considered as a basic condition for the quality of life of the population (Figure 1) (Anatolyevich et al., 2021).

As the basic postulates of the conceptual model of advanced development management, the authors propose:

- 1) Ensuring the depth of the structural adjustment of the economy, focusing on the expansion of the share of high-performance and knowledge-intensive sectors;
- 2) Deep diversification, expansion and complication of the product basket, which is a response to changes in the external environment;
- 3) Balance and coherence within the framework of building a national format of global value chains, which allows to neutralize the negative impact on the creation of added value due to one-sided integration into global processes through the export of raw materials (natural) or in conditions of their low processing.

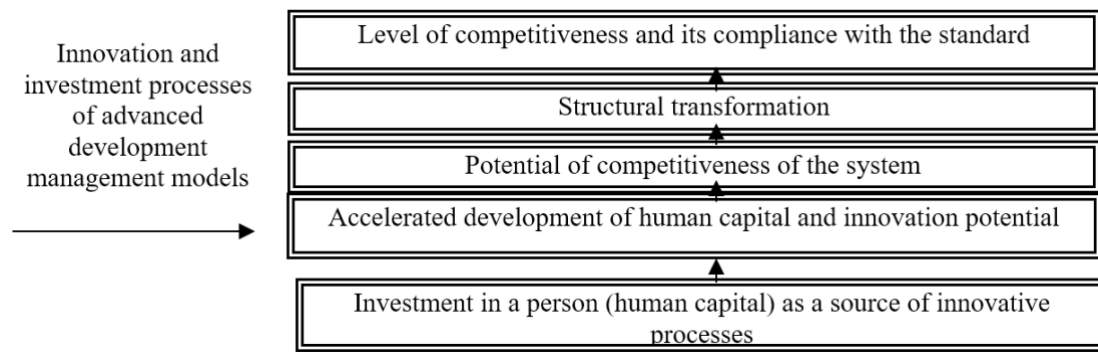


Figure 1. Innovation and investment processes of the conceptual model of advanced development management

An integral part of the technological management process is the justification of the management efficiency criterion and the development of an appropriate system of evaluation indicators (Figure 2).

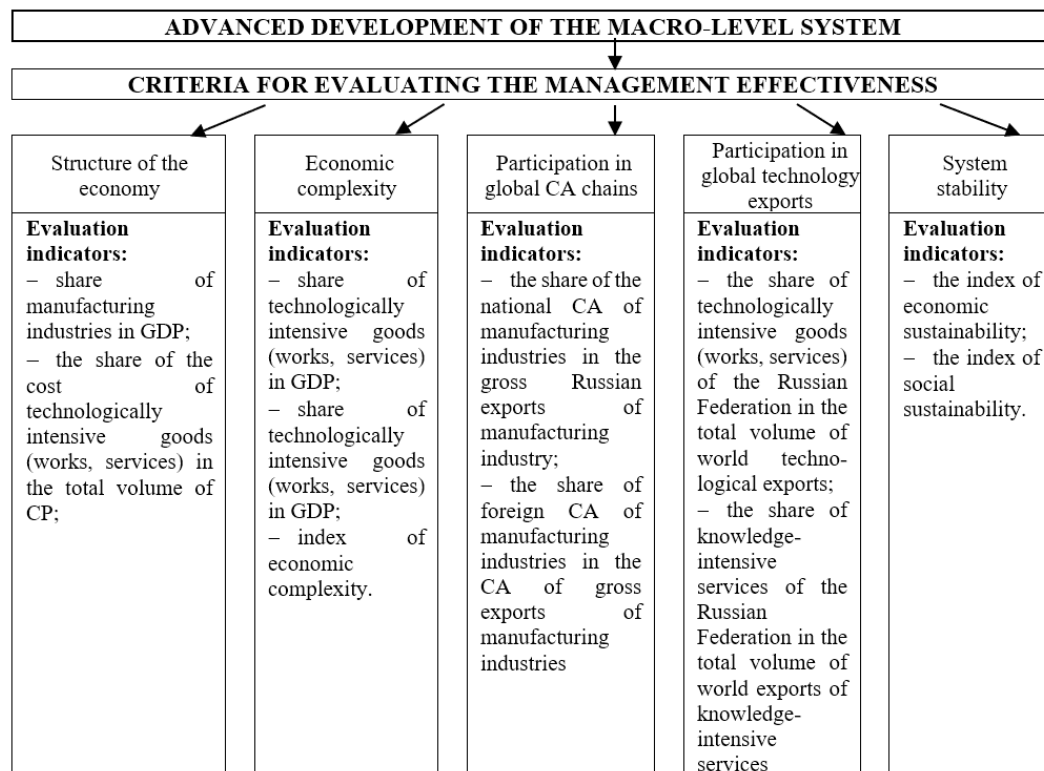


Figure 2. Criteria and indicators for evaluating the effectiveness of advanced development management

Macroeconomic management in the format of advanced development is associated with innovation and investment processes and breakthrough technologies in science and practice. The starting point in this positioning, according to the authors, should be the development and subsequent implementation of an effective economic policy that ensures the formation of a “margin of safety”, “stability”, “margin of advance of development” (Kleiner & Kobylko, 2022; Kleiner et al., 2022).

The author’s format of economic policy is presented in the context of its content and implementation mechanism (Table 1).

Table 1. Economic policy as a tool for managing advanced development

| Classification feature | Type of policy | Policy content | Implementation mechanisms |
|---|---|---|--|
| 1 | 2 | 3 | 4 |
| Target function | Motivation (incentive) | Development of segments that increase competitiveness, added value and the sustainable state of the national economy | 1. Development of the legal framework and ensuring the immutability (for a certain period of time) of norms, rules and regulations. 2. Facilitation of access to resources. 3. Improving tax administration and consulting to reduce the tax burden. |
| Coverage | Complex-total | Development of the institutional environment | 1. Tax. 2. Administrative and legal. 3. Economic. 4. Organizational. |
| Methods | Active-proactive | Changing the industry structure, focusing the strategy on the long-term period, defining the “rules of conduct” | 1. Changes in institutions in the context of industries and complexes. 2. Vector for the development of industries, industrial complexes with high added value |
| Degree of government regulation | Policy of state capitalism and the development of PPP | State - regulator and market participant | 1. Management of state property. 2. Development of public-private partnerships. 3. Formation of a system of state orders and contracts. 4. Pricing in individual (exceptional) cases. 5. Joint (with business representatives) regulation of legislation at the federal, regional and business standards levels. |
| Type of intervention in market mechanisms | Two and three-sided | The combination of permissive exchange (or its prohibition) between entities with forced exchange between the state and market entities | 1. Provision of guarantees and exclusive privileges. 2. Licensing of certain types of activities (services). 3. Taxation within the framework of the current legislation (with the possibility of making changes and additions to regional and local taxes). |
| Expected annuities (benefits) | Effective | Functional effect and efficiency | 1. Development of the institutional environment. 2. Development of infrastructure support. 3. Improving the level of competitiveness and sustainability. 4. Improving the quality of life of the population. |

Filobokova notes that advanced development is determined by the resources, institutions and structures of the economy, but most importantly - the existing technological structures (Filobokova & Zhbankina, 2021).

Glazyev believes that artificially created bottlenecks in the system of public administration can act as an obstacle, and also offers a wide range of measures to bring the Russian economy out of the crisis on the trajectory of advanced development:

- 1) Use of special refinancing instruments of the Bank of Russia;
- 2) Practical implementation of strategic planning (Bakhtizin et al., 2022);
- 3) Provision for medium-term stabilization of the ruble exchange rate;
- 4) Protection of national producers from unfair competition from importers (Polterovich, 2022a, 2022b);
- 5) Optimization of the distribution of the tax burden in proportion to rental income (Glazyev, 2022a).

The team of scientists of the Higher School of Economics in the expert report “Russia in a New Era: choosing priorities and goals for national development” notes a number of problems of advancing the development of science and innovation and increasing their contribution to economic growth and the well-being of the population, highlighting as the main ones:

- 1) Insufficient level of funding for the development of science and reduction of human resources;
- 2) Low level of efficiency of interaction between science and business;
- 3) Crisis processes in the economy that worsen entrepreneurial and innovative activity (According to HSE Expert Report “Russia in a New Era: Choosing Priorities and Goals for National Development”).

Stelzer in his study “The concept of priority development: conditions and obstacles” states the following conclusions:

- 1) The economic leadership of some countries and the lag of others is historically determined;
- 2) The concept of advanced development and the concept of leadership fully reflect the unity and struggle of opposites;
- 3) Technological, institutional lag and changing public attitudes to environmental pollution are an obstacle to the formation of “human capital”;
- 4) The time of development of “human capital” is an economic benefit and a factor limiting the possibility of advanced development.

Scientists raise a wide range of problems, display identified factors that require neutralization and suggest possible ways to resolve the current situation.

In our opinion, the Russian Federation does not have any objective restrictions on the factors of production for the growth of its national economy and advanced development. The presence of a problem situation determines the development of an effective management system to achieve the specified target setting of the socio-economic development strategy – improving the quality of life of the population (Glazyev, 2022b).

Solving existing problems – providing innovative and investment breakthroughs in science (conceptual justification of the model) and their application (mechanism and tools for managing the conceptual model).

4. Conclusion

The developed conceptual model, in our opinion, develops the theoretical and methodological basis for managing innovation and investment processes of managing macro and meso-level systems in the format of advanced development. The basic concept in the developed concept is “development”, considered by the authors in the unity of “ecology-economy-society”. Along with the development of entity conception, study of performance criteria and system of evaluation indicators of management effectiveness, we developed tools for practical implementation of the model through economic policy, presented by its content and implementation mechanism.

References

- Afanasiev, M. Y., Kudrov, A. V., & Lysenkova, M. A. (2022). The Approach to the Diversification of the Regional Economy Taking Into Account Evolutionary Conditionality, Resource Availability and Innovation Activity. *Montenegrin Journal of Economics*, 18(2), 7-17. <https://doi.org/10.14254/1800-5845/2022.18-2.1>
- Anatolyevich, D. P., Yuryevna, F. L., & Sergeevna, D. O. (2021). An approach to the integration-balanced management of industrial complexes development in the space industry. XLIV Academic Space Conference: dedicated to the memory of academician S.P. Korolev and other outstanding Russian scientists - Pioneers of space exploration <https://doi.org/10.1063/5.0035927>
- Bakhtizin, A., Ilin, I., Nikitin, N., Ershova, A., & Esser, M. (2022). Multi-agent Approach in Planning and Scheduling of Production as Part of a Complex Architectural Solution at the Enterprise. *Algorithms and Solutions Based on Computer Technology*, 369-380. Springer. https://doi.org/10.1007/978-3-030-93872-7_30
- Filobokova, L. Y., & Nyarginen, V. A. (2023). Substantiation of approaches to the conceptual model of strategic management of economic security of small and medium-sized enterprises. *Management in Russia and abroad*, 2, 71-81. <https://elibrary.ru/item.asp?id=53815784>
- Filobokova, L. Y., & Zhdankina, A. Y. (2021). Strategic Management of the Agro-Industrial Complex in the Territories of Rapid Socio-Economic Development and Its Methodological Support. *The Challenge of Sustainability in Agricultural Systems*, 33-40. https://doi.org/10.1007/978-3-030-73097-0_
- Glazyev, S. Y. (2022a). Human potential as the main factor of economic growth in the new world economy. *Scientific Works of The Free Economic Society Of Russia*. The Free Economic Society of Russia. https://veorus.ru/upload/iblock/539/veo_238.pdf
- Glazyev, S. Y. (2022b). Monetary policy in russia: negative cumulative effect in the framework of the neoclassical model and its overcoming. *Microeconomics*, 2, 5-38. <https://doi.org/10.33917/mic-2.103.2022.5-38>
- Kleiner, G. B., Rybachuk, M. A., & Karpinskaya, V. A. (2022). Systemic Factors and Prerequisites for the Inclusive Growth of the Russian Economy. *New Technology for Inclusive and Sustainable Growth*, 3-14. https://doi.org/10.1007/978-981-16-9804-0_1
- Kleiner, G., & Kobylko, A. (2022). Business Ecosystem Strategy: Design and Specifics. *System Analysis in Engineering and Control*, 43-51. https://doi.org/10.1007/978-3-030-98832-6_4
- Larin, S. N., & Stebenyaeva, T. V. (2022). The dynamic aspect of the development of managerial and professional competencies of the personnel of industrial enterprises. *Proceedings of the*

International University Scientific Forum “Practice Oriented Science: UAE – RUSSIA – INDIA”
(May 6, 2022, UAE) (pp. 53-57), Part I. Scientific publishing house Infinity.

- Makhkamova, G. M., & Närginen, V. A. (2022a). Development of a modern methodology for assessing financial inclusion as a factor of economic growth of the national state. *Regional problems of economic transformation*, 5(139), 87-100. <https://doi.org/10.26726/1812-7096-2022-5-87-100>
- Makhkamova, G. M., & Närginen, V. A. (2022b). Modeling of socio-economic development state systems in the context of financial inclusion. *Regional problems of economic transformation*, 4(138), 97-108. <https://doi.org/10.26726/1812-7096-2022-4-97-108>
- Polterovich, V. M. (2022a). Competition, collaboration, and life satisfaction. Part 1. The Seven of European leaders. *Economic and Social Changes: Facts, Trends, Forecast*, 15(2), 31-43. <https://doi.org/10.15838/esc.2022.2.80.2>
- Polterovich, V. M. (2022b). Competition, collaboration, and life satisfaction. Part 2. The fundament of leadership – collaborative advantage. *Economic and Social Changes: Facts, Trends, Forecast*, 15(3), 42-57. <https://doi.org/10.15838/esc.2022.3.81.2>
- Zhukovskaya, L. V. (2022). Balancedness of Economic, Legal and Social Macrosystems Based on Decision Making Modeling. *System Analysis in Engineering and Control*, 273-287. https://doi.org/10.1007/978-3-030-98832-6_24