

## Strategic Management of Regional Business Infrastructure System

**Kalenskaya Natalia Valeryevna**

*Doctor of Economics, Head of Department of Marketing, Commerce & Entrepreneurship,  
Kazan (Volga region) Federal University  
Email: kalen7979@mail.ru*

**Palyakin Roman Borisovich**

*Postgraduate Student, Department of Marketing, Commerce & entrepreneurship,  
Kazan (Volga region) Federal University  
Email: roman.palyakin@yandex.ru*

**Tarkaeva Natalia Aleksandrovna**

*Chamber of Commerce and Industry of the Republic of Tatarstan, Member of the Board*

Doi:10.5901/mjss.2014.v5n18p311

### Abstract

*The article discusses directions of strategic development of infrastructural support of entrepreneurship in the region (on the base of competitive development of the regional economy). The author also identifies strategic guidelines of infrastructure development and proposes a model of strategic management of entrepreneurship infrastructure in the Republic of Tatarstan.*

**Keywords:** *infrastructure of entrepreneurship, strategy of competitive advantage, regional economy, strategy of infrastructure support for business.*

### 1. Introduction

Entrepreneurial activity is the basis for the mesolevel economic development and the growth of regional economy competitiveness. In turn, the growth of entrepreneurial activity depends on the level of infrastructure support. Accordingly, socio-economic level of the regional economy development includes competitive advantages, based on the level of the development of business infrastructure support.

Trends in the development of entrepreneurship in the region also reflect the competitive nature of regional development of business structures that characterize the regional development indices [1; 2].

Therefore, for ensuring the effective development of entrepreneurship it is necessary to form a strategy of building the system of business infrastructure support on a competitive basis that will reflect, on the one hand, the competitive advantages of a particular region (i.e. achieving competitiveness at the mesolevel), and, on the other hand, will help to attain stable socio-economic development due to the growth of entrepreneurial activity provided by necessary infrastructure.

According to Ye. Gornyyuk, the strategy of forming competitive advantages, which we have chosen, can be applied at various stages of the life cycle of industry (or sector) and depends on the external and internal conditions [3, p. 76].

Having analyzed the development of entrepreneurship infrastructural support at the regional level, we can propose the following alternative strategies:

- strengthening the current level of the business infrastructure system development;
- expansion of infrastructure support;
- achieving leadership in the development of institutional and market-based infrastructure for small businesses;
- leadership in the development of business infrastructure for high technology industries.

The strategy of competitive advantage implies making a map of management solutions for the system of infrastructure support in various spheres of competitive development of the regional economic system. It is also necessary to improve the management strategy of business infrastructure system in the region (illustrated by example of the Republic of Tatarstan).

## 2. The Results Obtained

The ways of entrepreneurship infrastructure support development at a regional level are chosen in accordance with the parameters of competitive advantage of the region.

We represent the projected map of strategic management decisions for entrepreneurship infrastructure support of the regional economic system in Table 1.

**Table 1.** The map of strategic decisions for the system of business infrastructure support

The strategic position of competitive development	Object of strategic positioning	Variants of management decisions for the development of infrastructure support
Strengthening the existing complex of infrastructure support elements	Available elements of the regional SB infrastructure support	- providing the objects of infrastructure with a full-featured set of infrastructure elements; - creation of a unified information and analytical base of entrepreneurial activity; - equable resource supply of infrastructure support entities; - organizing the coordination centre for infrastructure system management.
Expansion of the system of entrepreneurship infrastructure support	The system of the regional entrepreneurship infrastructure support being formed	- organizing infrastructure facilities based on large industrial enterprises; - the maximum distribution of infrastructure support elements among the industrial agglomerations in the region; - implementation of the structural and functional relationship between the infrastructure elements (by increasing specialization of each element in the overall system and the establishment of information exchange).
Achieving leadership in the development of the institutional and market-based infrastructure system	The system of institutional and market-based infrastructure of entrepreneurial activity	- creation of a unified market space for strengthening the commercial effectiveness of entrepreneurship (through introduction of market elements in the activities of infrastructure facilities); - the development of information infrastructure by providing access to information networks and databases; - organizing the unified system of financial and credit support of entrepreneurship (through implementation of financial support programs involving local financial and credit organizations and regional entrepreneurship support centers); - establishment of a body for interaction of business and the government for ensure the partnership.
Leadership in the development of high technology industries' infrastructure	Objects of entrepreneurship institutional and innovation infrastructure	- increasing the share of infrastructure facilities of high-tech industries; - creating the "innovation field" of infrastructure, integrating research institutes, centers for innovative entrepreneurship promotion and infrastructure facilities; - support of regional and inter-regional innovation programs and projects of the innovative entrepreneurship development.

Then working out the strategy of forming the infrastructure support system, one should pay attention to the socio-economic aims, which are defined for small business in the development programs of the region.

The program of socio-economic development of the Republic of Tatarstan for the period of 2011-2015 implies achieving the goal of "improving the life standard through steady and dynamic development of the economy and providing favorable conditions" [4, p. 2].

Socio-economic targets of the economy development in the Republic of Tatarstan are determined by setting the goals of the Programme achievement [4, p.2]:

- increasing the competitiveness of the economy;
- forming the dynamic system of state and municipal management;
- creation of innovative diversified economy;
- ecologization of the economy;
- growing middle class.

The researches of business infrastructure in the Republic of Tatarstan show that alongside a well-developed social and economic system there are certain problems of infrastructural support for small businesses. These issues include, first of all, the lack of coordination in the activity of infrastructure elements, the persistence of administrative barriers for small businesses, underdevelopment of financial institutions and institutions for innovations' support (the technology transfer center, commercialization offices), lack of qualified personnel in the infrastructure sectors, including in the sphere of business innovation.

For solving the problems of infrastructure support in the Republic of Tatarstan it is necessary first of all to determine strategic tasks of infrastructure support development. While choosing strategic alternatives, one should to rely on peculiarities of infrastructure support functioning (institutional, market-based, institutional-and-innovative infrastructure) of business support, and also take into account the objectives of achieving stable socio-economic progress of the region.

**Table 2.** Forming strategic guidelines for the development of entrepreneurship infrastructure support in the Republic of Tatarstan

Sphere of infrastructure support	Direction of strategic development	Strategic control mechanisms
Institutional infrastructure	Growing influence in the development of infrastructure support	<ul style="list-style-type: none"> <li>- providing coordination of governmental bodies and business structures' activity by forming unified principles of market functioning;</li> <li>- organizing the unified financial and credit system of business infrastructure support;</li> <li>- creating the information field of infrastructure support;</li> <li>- implementation of infrastructural support programs aimed at the growth of entrepreneurial activity.</li> </ul>
Market-based infrastructure	Functional expansion and diversification of activities	<ul style="list-style-type: none"> <li>- organizing specialized commercial and industrial sites for specific spheres of business;</li> <li>- providing unified market principles for infrastructure elements' activity;</li> <li>- establishing intra-inter-regional links between business sectors (based on joint business projects);</li> <li>- carrying out investment tenders and organizing exhibitions and fairs for entrepreneurial projects;</li> <li>- small business promoting programs of market elements of infrastructure.</li> </ul>
Institutional and innovation infrastructure	Stable growth and the overall introduction of infrastructural elements	<ul style="list-style-type: none"> <li>- implementation of educational entrepreneurship programs in technological spheres of activity;</li> <li>- establishment of technology transfer process using infrastructural institutions;</li> <li>- forming infrastructure elements based on large industrial enterprises;</li> <li>- state support of investment projects for innovative entrepreneurship</li> </ul>
System of small businesses infrastructure support	Intensifying specialization activities of infra structural support	<ul style="list-style-type: none"> <li>- establishing the classification of infrastructure support elements by the functions performed;</li> <li>- equable distribution of support elements among industrial agglomerations and spheres of activity;</li> <li>- establishment of specialized centers for small business support by sectors;</li> <li>- providing qualified personnel for infrastructure support (including specializations of the support functions being performed).</li> </ul>

Then for making administrative strategic decisions in forming entrepreneurship infrastructural support it is important to identify the steps of creating a system of infrastructure support.

Let us analyze each stage of the system formation in detail.

The essence of the first stage of the strategic development of the infrastructure support system implies analyzing the current state of the system and definition of the key parameters of its functioning. The purposes of infrastructural

support and the tasks for their achievement are also determined at the first stage.

The main activities at this stage are researches on tendencies of infrastructural support of the regional economy;

- Determining the current state of elements of infrastructure support, the choice of infrastructure support parameters by the type of infrastructure (institutional, market-based, etc.);
- working with legal documents (regulations, development programs) of infrastructure objects activity;
- studying the demand for infrastructure based on analytical data on small business development, the level of entrepreneurial activity in the region; determining the amount of business infrastructure resources needed for the system implementation.

The second stage is based on the development of expert solutions in the sphere of infrastructure management support and implies the identification of the key indicators of regional infrastructure in order to make management decisions on generating the complex of infrastructure elements in the process of support.

The activities that are included in the implementation of this stage are as follows:

- evaluation and analysis of the effectiveness of business infrastructure in the region;
- elaboration of options for including various types of infrastructure resources in the entrepreneurship infrastructural support functioning; working-out strategic alternatives to ensure the development of infrastructure;
- developing the programs of strategic effort implementation aimed at creating a complex of infrastructure support elements.

A distinctive feature of the third step is the development of specific measures to solve strategic problems of infrastructure support management. At this stage the budget set of implementation activities is also formed and the control mechanisms of their implementation are provided.

The activities that are carried out within this step include:

- making the map of infrastructure elements of the region and the coordination center for interaction of entrepreneurial structures and institutions of infrastructure support;
- forming a unified complex of financial institutions for infrastructural support of small business infrastructure and selection of special economic development zones of infrastructure support via region clustering by spheres of activity;
- implementation of the development programs of cross-sector entrepreneurship;
- creation of a unified information field within the infrastructure support business in the region.

The last stage of strategic management is mainly focused on working-out of further actions for business support management and optimization of the structurally functional model of infrastructure support.

The implementation of this stage of strategic management includes the following activities:

- analyzing the obtained results on infrastructure elements' activity, optimization of resource support of infrastructure business facilities activity.
- development and implementation of strategic measures to improve the structural and functional model of business infrastructure;
- forecasting the development of infrastructure for a short and long term, the development of corrective measures for infrastructure support.

The implementation of the proposed model of the strategic development for infrastructural support in the Republic of Tatarstan is represented in Figure 1.

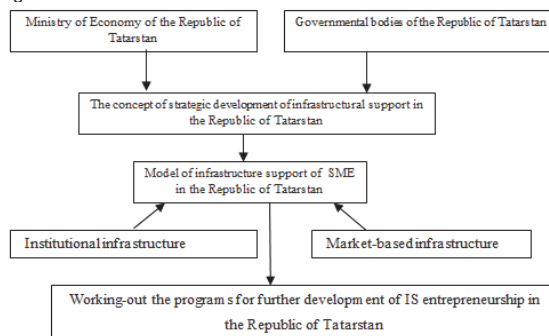


Figure 1. - Strategic development for infrastructural support in the Republic of Tatarstan

In this model, the government of the republic and the Ministry of Economy of the Republic of Tatarstan perform management functions on forming a system of infrastructure support. It is these bodies that bring into action the strategic concept of entrepreneurship infrastructural support. Interaction with the elements of the infrastructure support system is carried out through the Coordination Center, which regulates the activities of infrastructural institutions and monitors the character of interaction between business structures and authorities.

Working-out of strategic decisions is based on data given by the governing bodies of the institutional and market-based infrastructure in the following spheres: the level of entrepreneurial activity in the region (Chamber of Trade and Commerce of the Republic of Tatarstan), the implementation of financial and credit regulation (FCR) of infrastructural support (financial and credit institutions of the Republic of Tatarstan), providing infrastructure support with qualified personnel (IS Education Center).

The diversified process of elaborating the model of business infrastructure support is based on interaction of infrastructure participants, and ensures the order of decision-making on infrastructure support management.

### 3. Conclusions

The peculiarities of socio-economic development of the regional economy, which implies increasing the competitiveness of the region, determine the necessity for introducing the strategy of competitive advantage in business infrastructure management system, as entrepreneurial activity in the regions depends on the development of infrastructure support.

Strategic alternatives of infrastructure business development are caused, on the one hand, by peculiarities of various types of infrastructure support (market-based, institutional, institutional-and-innovative infrastructure and the system small business infrastructure support) and, on the other hand, by the problems of socio-economic development of regions. Thus, interconnection of business infrastructure system and regional economic development is implemented in the framework of the strategic management.

Due to the implementation of the strategy of working-out the entrepreneurship infrastructural support in the Republic of Tatarstan, the role of business organizations is strengthens in the regional economy, which is expressed by a high level of entrepreneurial activity.

Thus, strategic management of business infrastructure system forms the basis for the development of entrepreneurship as the driving force of socio-economic development of the region, which provides a steady growth of the regional economy.

### References

- Gafurov I.R., Bagautdinova N.G., Panasyuk M.V. Analysis of Strategic Perspectives of Competitiveness of Kazan // Recent Researches in Urban Sustainability, Architecture and Structures. Proceedings of the 2nd International Conference on Sustainable Cities, Urban Sustainability and Transportation (SCUST'13). Baltimore, MD, USA, September 17-19, 2013. – Baltimore: WSEAS Press. – 2013. – pp. 37 – 44.
- Bagautdinova, N., Gafurov, I., Kalenskaya, N., Novenkova, A. The regional development strategy based on territorial marketing (The Case of Russia) // *World Applied Sciences Journal*, 18(Issue SPL.ISSUE. 18), 2012, 179-184.
- Panasyuk, M.V., Bagautdinova, N.G., Safiullin, L.N., Novenkova, A.Z. Territorial approach to solving the region strategic management problems // *World Applied Sciences Journal*, 27(13), 2013, 149-153.
- Panasyuk, M.V., Safiullin, L.N., Pryadko, I.A., Anopchenko, T.Y. Classification of large and socially important enterprises of the region by the levels of their economic solvency // *World Applied Sciences Journal*, 27(13), 2013, 140-144.
- Safiullin, M.R., Elshin, L.A., Prygunova, M.I., Galyavov, A.A. (2013). Complex Analysis of Prospects of the Volga Federal District Regions Development: Methodology and Practice. *World Applied Sciences Journal* 27, 4, 508-511.
- Fakhrutdinova, E., Kirshin, I., Kolesnikova, J., Salyakhov, E. The influence of cross-country technological transfer on economic profit formation// *Middle East Journal of Scientific Research*. Volume 17, Issue 12, 2013, Pages 1632-1634.
- Fakhrutdinova, E., Kolesnikova, J., Kiselkina, O., Khalikov, A. Issues of commercialization of intangible property rights in Russia// *World Applied Sciences Journal*. Volume 27, Issue 13, 2013, Pages 72-76.
- Fakhrutdinova, E., Fakhrutdinova, A., Severyanov, O., Valeev, E. The transformation of educational approaches at the time of social and economical changes// *World Applied Sciences Journal*. Volume 27, Issue 13, 2013, Pages 15-19.
- Fakhrutdinova, E., Safina, L., Shigapova, D., Yagudin, R. Legislative provision of the quality of working life in Russia// *World Applied Sciences Journal*. Volume 27, Issue 13, 2013, Pages 92-96.
- Kirshin I.A., Datsyk A.A., Titov A.V. Forecasting the Dynamics of an Innovative Cycle. – *World Applied Sciences Journal (Economics, Management and Finance)*. – 2013. – №27. – P. 197 – 201.
- Glebova I.S., Sadyrtinov R. and Rodnyansky D. Impact Analysis of Investment Attractiveness of the Republic of Tatarstan on Fixed Investments of its Leading Companies // *World Applied Sciences Journal* 26 (7): 911-916, 2013.
- Glebova I.S., Khabibrakhmanova R. and Yasnietskaya Y. The Analysis of the Impact of the Investment Attractiveness Factors of the

- Region on the Fixed Capital Investments in the Economy of the Republic of Tatarstan \ Middle-East Journal of Scientific Research 17 (10): 1498-1502, 2013.
- Palagushkina O.V. Diatoms of modern bottom sediments in Siberian arctic (2012) Contemporary Problems of Ecology (4) , pp. 413-422.
- Melnik A.N. The Organization of Russian Power Market in Modern Conditions / A.N. Melnik, O.N. Mustafina // Middle-East Journal of Scientific Research. – 2013. – v. 13 – pp. 91-94.
- Novenkova A.Z., Gafurov I.R., Kalenskaya N.V. Marketing of Educational Services: Research on Service Providers Satisfaction // Procedia Economics and Finance, Volume 5, 2013, Pages 368-376.
- Bagautdinova, N., Gafurov, I., Kalenskaya, N., Novenkova, A. The regional development strategy based on territorial marketing (The Case of Russia) // World Applied Sciences Journal, 18(Issue SPL.ISSUE. 18), 2012, 179-184.