

## **ANALYSIS OF EXISTING APPROACHES TO THE REGIONS COMPETITIVENESS DETERMINING**

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One of the significant problem in measuring and assessing the region's potential indicators is the current information base. To assess the required level (accuracy) of capacity assessment, it is advisable to consider the following list of tasks: regional development strategy; potential of industries in the region; the impact of factors on regional development; search for resources and reserves; development of foreign economic activity; innovation policy; increasing the competitiveness of the region.

It is proposed to start a more specific and meaningful consideration of the connection between the "potential of the region" and "regional development" with the following tasks: the local budget in the tasks of development of the region and districts; attracting investment to the region; creation of new organizational forms in the region - networks, clusters, technology platforms, technology parks; assessment and development of the potential of the domestic consumer market.

The task of developing the region's competitiveness is not limited to monitoring the situation and analyzing statistics. It includes also: in-depth information, resource assessment and large-scale and continuous organizational work in several areas, particularly: marketing monitoring researches; substantiation of local business structures advantages; innovative search; quality improvement and quality management programs.

For Ukraine, the problem of assessing the competitiveness of regions is particularly relevant, which is especially felt in the context of trends in decentralization. The development of rational and scientifically sound recommendations for determining the competitiveness of the regions of Ukraine requires comprehensive consideration of foreign and domestic experience in this area, so it is advisable to consider modern methods developed to solve this problem.

Analysis of the publications of foreign scholars suggests that one of the most common approaches to assessing competitiveness is to determine the Global Competitiveness Index (GCI), developed by the World Economic Forum (WEF) [1]. Covering 141 economies, the Global Competitiveness Index 4.0 measures national competitiveness—defined as the set of institutions, policies and factors that determine the level of productivity. Globalization and the Fourth Industrial Revolution have created new opportunities but also disruption and polarization within and between economies and societies. In this context, the World Economic Forum introduced last year the new Global Competitiveness Index 4.0.

The Global Competitiveness Index for 2019 is composed of 113 variables that characterize in detail the competitiveness of countries around the world at different levels of economic development. The set of variables consists of two-thirds of the results of a global survey of company leaders (to cover a wide range of factors affecting the business climate in the studied countries), and one-third of publicly available sources (statistics and research results carried out on a regular basis by international organizations). All variables are combined into 12 benchmarks that determine national competitiveness: Institutions; Infrastructure; ICT adoption; Macroeconomic stability; Health; Skills; Product market; Labour market; Financial system; Market size; Business dynamism; and Innovation capability. Based on the results of competitiveness determining's level, the authors propose to review the country's profiles. It should be noted that in 2019 Ukraine has 85th place / GCI-57 (2014-2015 - Ukraine ranked 79th) from 140 countries). In terms of global competitiveness (1st place - Singapore / GCI-84.8; last - Chad / GCI-35.1). The Czech Republic ranks 32nd/ GCI-79, Georgia -74th place/ GCI-60, 6.[1].

Traditionally, the GCI indicator is determined to assess the countries competitiveness, but it can be successfully used to assess the regions competitiveness, as evidenced by domestic experts, used this approach to determine the region competitiveness of Ukraine.

Another very popular approach to determining the competitiveness of regions is the calculation of the so-called Regional Competitiveness Index (RCI), which was developed to compare the regions of different countries, which in the realities of the European Union is quite justified.[2]

Among the approaches to determining competitiveness, the European Competitiveness Index (ECI) [3], developed by Robert Huggins, deserves special attention. The ESI Index takes full account of factors such as employment and research funding, but does not take into account that can only be assessed on the basis of expert methods. The advantages of this method include the ability to use reliable and publicly available statistics, as well as ease of calculation, which reduces the subjectivity of the results.

Another well-known method of determining the competitiveness of regions is the indicator developed by researchers from the Institute for Management Development, which is published in the annual report on the competitiveness of the world (World Competitiveness Yearbook) (WCY)[4]. The authors of this indicator believe that the country's competitiveness largely depends on its ability to ensure the competitiveness of enterprises.

The country's competitiveness indicators are grouped into 4 major groups: economic activity, state efficiency, business efficiency and the level of infrastructure development. In total, 331 indicators are determined. At the same time, considerable attention is paid to such factors as: household activity, international trade, growth of macroeconomic indicators and the household income level; forecasts of unemployment, inflation, growth of the real sector of the economy, etc. The method is based on the large array of statistics using and the normalization procedure is used to ensure the indicators comparison correctness.

Illustrative countries of regions competitiveness determining are such as the United Kingdom, Finland and Croatia. The peculiarity of UK Competitiveness Index defining is that 15 indicators of competitiveness are divided into output factors, input factors and outcome factors. Analyzing the structure of this index, it is worth paying attention to such indicators as the level of economic activity, research expenditures per capita, the number of private entrepreneurs per 1,000 inhabitants, employment and others. UKCI covers the latest figures proving a measure of competitiveness for a majority of local authority district, Local Enterprise Partnerships, and cities in Great Britain. The latest report also provides forecasts of real GDP per capita growth for local areas based on the UKCI for a number of different scenarios [5].

The experience of Finland in developing a long-term national strategy for regional development [6], aimed at increasing competitiveness is of considerable interest. The specifics of determining the Finland competitiveness indicator is as follows:

a) there is a significant detail of the regions and the division of its total territory into 85 territorial entities, which becomes possible due to the relatively small territory of this country;

b) the definition of the index involves the open information and the calculation of 16 indicators, which are combined into such groups as: human capital, innovation, agglomeration of firms and economic activity, affordability.

To determine the competitiveness index, all indicators are adjusted depending on the size of the region, which is determined by the population.

Using the population to calculate the index avoids significant deviations due to the size of the region. In addition, this technique allows to take into account indirectly the available human capital (a region with a relatively small share of the population may be characterized by high relative values).

Another advantage of using this technique is the avoidance of subjectivity, which is due to the determination of the significance of competitiveness factors using the results of expert surveys.

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## ASPECTS OF COMPETITIVENESS AT THE REGIONAL LEVEL

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The nature of competition at the regional level is significantly different from the level of an enterprise or organization in the field of services. The region must pursue a competitive policy in the field of economic, organizational, technological, entrepreneurial, image and other development tasks.

With considerable attention to the problems of competitiveness of regions in the circle of scientists, in the presence of methodological developments and practical experience, the system of knowledge on this issue needs to be developed. Unresolved issues remain: "in what characteristics to determine the competitiveness of the region,