EVALUATION INDICATORS' SYSTEM OF SOCIAL AND ECONOMIC DEVELOPMENT OF THE CITY

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Economic and social life changes of the country and changing priorities of social development leads to corresponding changes in the methods and mechanisms of local government. The social and economic development pace of Ukraine directly depends on the intensity of municipalities and entities which are on their territories.

Study functioning of local government and especially its formation in modern conditions indicate a problem in many cities when deciding which raise the efficiency of local government, which will lead to development. One of these problems is to improve the analytical base control mechanism social and economic development, which in dynamic changes driving the transformation processes and ensuring their effective course. Management involves the selection of the development control system and must begin to measure.

Existing methodological approaches and evaluation methods of the results of social and economic processes of the city considered by many scholars and practitioners, but so far they do not take into account the characteristics and changes in social and economic processes at the level of municipalities. This makes it important to further improve the existing system of assessment of socio-economic development.

Research on improving existing methodological principles of social and economic development of the city as a complex entity dedicated work of G. Atamanchuk, V. Bakumenko, A. Hudskova, V. Dzyundzyuka, William King, D. Klylanda,

V. Rohlyna A. Stepanenko, Y. Sharov and others. Analysis abovementioned literature made it possible to conclude that they related primarily to certain aspects of the state or municipal administration and do not give recommendations for the formation of a strategy for economic and social development of cities on the basis of system of indicators.

Analysis of the composition and content of social and economic development indicators incomplete coverage system evaluation of certain areas, not all indicators that are used are able to reflect the real level of development. Also, a large number of parameters estimated statics of the dynamics or structure that does not allow assessing real changes in the economic or social development processes.

In developing the assessment of socio-economic development of cities before all we must remember that cities face the challenge of economic, technical, social, economic, scientific and technical, innovation, investment and other areas of development. When choosing performance evaluation system should take into account that the most important is the level of technology upgrade social and economic processes and new directions or ancillary development. Namely, the ability to provide self-rate adaptation to change, to move into a new state and a higher level of use and reproduction of its resources, increase the competitiveness of goods and services, wealth creation and higher to meet the resident needs of the city by providing balance and full utilization of productive capacity.

Assessment of city development should be based on system analysis and include all components of development.

The structure of the evaluation areas of social and economic development of cities should include the following:

economic growth;

social development;

innovation and investment activity;

environmental safety level;

social and spiritual development;

business activity level of local authorities and exercise their reproductive

function [1].

Understanding the nature of resource efficiency, environment and the impact of various factors and performance indicators for outcomes makes it necessary to consider them by in equivalent rankings – assignment evaluation indicators fixed-rank. The higher growth rate or growth rate relative to a positive growth rate (growth) of others, the greater may be his rank.

Ranking can be done and the level of significance of the impact of an indicator for the level of achievement of goals. Involvement in the analysis of a significant number of indexes and search among them those that more reflect the socio-economic growth trends, issues requires methodological basis for calculations, methods of determining the role and importance of achieving the defined objectives of social and economic development.

Consideration of methods for assessing the social and economic development [2, 3, 4, 5, 6, 7] showed that the most appropriate method is the rank statistics. He allows you to get around the limitations of absolute and relative performance and ensure sufficient efficacy assessment results.

To evaluation of the results of social and economic development of the proposed method is necessary: identify normative level selected system parameters; consider the laws of growth that can be generalized to a single criterion for economic and social development; quality account of resource base of the city; set for all indicator based on the importance of a system of indicators rank; include in the evaluation system both effective and ineffective development results.

The standard indicators system is very dynamic, that if necessary you can easily change the performance ranks when changing development priorities and take into account different requirements. Evaluation of social and economic development consists of the following stages: determine the regulatory evaluation scorecard; analysis of the report data for indicators that are logged assessment; calculation of the rate of growth indicators; determine the actual indicators rank and compare them with the «normative» values; determination of the coefficients in general and in specific directions. The process of comparison «standard» and the actual ranking is carried

out through the use of mathematical tools of rank statistics. The mathematical tools of rank statistics based on a comparison of the two sets of numbers and the assessment of the differences between them. In the process of comparison are determined by calculating the deviation ranks for each measure their actual rank optimal level and inversion.

To assess differences between the actual ranks of regulatory ratios used Spearman coefficient and Kendall coefficient. According to Spearman coefficient (Kc) is given by:

$$K_C = 1 - \frac{6\sum_{s=1}^{n} Y_s^2}{n(n^2 - 1)},$$
(1)

where Y_s – the difference between the actual and optimal rank;

n – number of indicators in regulatory level selected scorecard.

Kendall Coefficient (Kk) is calculated based on the inversion of the formula:

$$K_\kappa = 1 - \frac{4\sum_{s=1}^{n} M_s^2}{n(n-1)},$$
(2)

where M_s – s-inversion of the index.

Social and economic development indicator for each area is calculated using the formula:

$$\Pi_p = \frac{(1 + K_c) \times (1 + K_\kappa)}{4},$$
(3)

Using the proposed system of indicators and statistics rank system creates conditions for the improvement of strategic planning, a system of monitoring of the planned objectives of social and economic development, determination of reserves and development priorities and inform management decisions.

To implement the proposed evaluation system should connect the relevant departments of local authorities, such as statistical management, labor and industrial relations, the main financial management and other, forming and analyzing relevant directions of the vital processes of the city and have some experience in planning and accounting indicators of the respective areas.

Given the importance and complexity of the evaluation process, it is expedient to create in the analytical service of permanent representatives of individual units within their processes responsible for the development of each district and for each direction.

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