

ECONOMY OF CULTURE AS MANAGEMENT OBJECT IN NATIONAL ECONOMY ENTROPY CONDITIONS

Article is devoted to economy of culture as management object in national economy entropy conditions. Economy of culture development as science became more valuable. It searches not only whole cultural sphere economic problems but also its separate entities. Theoretical and pragmatic tasks connected to management, financing, structure and organizational systems of cultural institutions were less important before because it was subsidized area in national economy conditions. Nowadays cultural needs forming and satisfying processes correlation research in macroeconomics, cultural sphere and economic entities microeconomic level aspects are connected to cultural sphere tangible and intangible goods producing, storage, distribution and interchanging that indicates its high commercial potential. It requires to be developed to increase business units' competitiveness and improve their competitive advantages. Economic entities functioning external environment stochasticity also must be taking into account. This article discloses economy of culture content as important socio-economic phenomenon. It is displayed its functioning peculiarities in national economy entropy conditions. It is suggested economic units' efficiency improving with balanced scorecard using for economy of culture. It is substantiated balanced scorecard IT-support technologies for economy of culture economic units.

Keywords: economy of culture, balanced scorecard, management, entropy, national economy.

Problem statement. Economy of culture is very important sphere of modern life. Culture as profitable area is valuable economic source in business units' management aspect. It has three unique features that complicate its assessment:

- potential of culture creators that was accumulated over the centuries and developed through generations;
- cultural legacy that was result of centuries-old creators' labor;
- traditions that were materialized in cultural values population's interest.

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vantages [1]. Economic entities functioning external environment stochasticity also must be taking into account.

Analysis of recent studies and publications. There are only few researches that are devoted to economy of culture and it takes into account mostly sociological researches and partially economical ones by A. Calabrese, J. Hartley, E. Ignateva, H. Li, E. Pililyan, A. Rubinshteyn, E. Shekova, W. Wen, balanced scorecard as effective management tool is given by A. Evans, O. Fujii, P. Niven, K. Martin, D. Parmenter, M. Poatsy, K. Schwalbe and others, entropy as category of economy is less known and researched basically in information flows and sociological aspects by G. Alpan, R. Dewar, I. Efil, V. Kaplunov, Ch. Lineweaver, R. Niven, E. Parker, K. Regenauer-Lieb, R. Gray.

Economy of culture as management object in national economy entropy conditions needs further investigations in aspect of strategy forming and assessment modern technologies, also IT support for suggested system.

The aim of the article is to form conceptual framework and practical recommendations for economy of culture as management object in national economy entropy conditions to increase its effectiveness with balanced scorecard methodological approach.

Presentation of the main material of the research. Today domestic economy is



characterized as a volatile one. The modern economic entities' surroundings are difficult to predict because of externals high level entropy.

Entropy can be defined as the measure of disorder, uncertainty and consumed energy in a system. Nowadays entropy concept is aimed to construct the conceptual basis of a new management model which can be utilized to manage all entropy sources effectively. It is conveyed with a multidisciplinary approach and by the use of qualitative research techniques. It is examined the relations of the entropy concept with different disciplines like sociology, economy, political sciences, ecology, environmental ethics, information theory, network science, system theory, business management, etc. and after the evaluation of the findings, it is constructed the conceptual basis of a new management model. Entropy concept is defined in detail and related concepts like social entropy, information entropy, negative entropy, etc. [2]. It is also matched that it is need to construct the conceptual basis of a new management model called «Total Entropy Management» which can be applied to governmental organizations, non profit organizations and business enterprises to be able to manage all entropy sources effectively.

The business units' up-to-date target is to form and implement an economic security management system for its sustained development but it is not easy task in entropy conditions. Balanced scorecard can be one of the core tools to achieve the target.

Economy of culture development peculiarities for stochastic externals in management aspect must include:

- necessity of management and organizational economic mechanism development and tools for culture sphere commercial effect evaluation to economy: specific jobs creating, own independent markets developing taking into account their substantial investment potential assessment, direct contribution to particular region economy, also culture is the main source of education, media, tourism and entertainment;

- direct social impact assessment formation problem solution: culture provides socially significant activities, recreation, positive influence on people's minds and relationship between them, individuals and society spiritual development contribution, their creative potential disclosure; also elite, popular and underground cultures offer possible social behavior models variety;

- indirect economic impact effect development: culture is socially beneficial because it accumulates and translates peculiar society fundamental values and reflections that are also used in commercial and non-commercial activities; advertising, public relations, HR, corporation reengineering, corporate identity and culture formation as business and management technologies are impossible without social and cultural activities forms traditional use and culture sphere institutions and organizations cooperation; business and culture spheres mutually beneficial, reinforcing cooperation, commercial and non-profit, socially important spheres partnership is the most important self-development capable civil society formation mechanism and tool; culture enhances environment value;

- indirect social impact potential use exploring: culture enriches social environment and organizes its various events attractiveness, it is social organization civilization influence source, it stimulates creativity, increases society ability to accept and find a new and overcome consciousness and behavior old stereotypes; culture is collective society memory, cultural and historical heritage and future generations creativity inexhaustible source, it improves and makes life diverse, increases individuals socialization degree and contributes deviant and antisocial behavior prevention and reduction; culture plays an important role in education, impacts individuals intellectual and emotional grows; modern technology using enriches arts and culture social communication effect.

Culture is society consolidation and development factor for both national and





regional scale. Its commercial potential should be disclose increasingly.

Culture sphere is seen not only as cultural values producer and curator but also a real economy important part that provides employment growth, high technologies development, tourism and advertising income flow. Culture as an economic element has environment adaptation, axiological, communicative, regulatory and semiotic functions.

European Commission notes [3]: the role of the cultural and creative sector is still largely ignored within the context of growth and employment with investment and innovations that will be achieved. Indeed, the move to measure the socio-economic performance of the sector is a relatively recent trend. Moreover, the exercise is a contentious one. For many, the arts are a matter of enlightenment or entertainment. That leads to the perception that the arts and culture are marginal in terms of economic contribution and should therefore be confined to the realms of public intervention. This may explain to a large extent the lack of statistical tools available to measure the contribution of the cultural sector to the economy whether at national or international level, in particular compared to other industry sectors.

Economy of culture includes a lot of types of different economic units and non-profit organizations connected to visual arts, performing arts, heritage, film and video, television and radio, video games, music, books and press, design, architecture, advertising, PC manufacturers, MP3 player manufacturers, mobile industry, etc. It is very perspective ones but in the same time they function with the low level of their potential socio-economic efficiency. The possible way to improve it is Balanced Scorecard (BSC) methodological approach [4–7]. It suggests an effective tool for modern process-oriented [8] and risk management [9] system creation, and contributes institutions sustained development. BSC perspectives suggest organization view from four perspectives: learning and growth, business process, customer, and financial one) that

help to develop metrics, collect data and analyze correlations of influence on internals and externals entropy effect reduction.

It is suggested sequence of BSC implementation for economy of culture sphere institutions efficiency improving which also takes into account entropy effect reducing on microeconomic level in domestic economy conditions:

- to develop and submit balanced scorecard system implementation rationale for business and management evaluation;
- to design BSC concept for economic units;
- to allocate balanced scorecard elements for economic units;
- to use balanced scorecard basic and additional principles for economic units;
- to adopt and apply balanced scorecard methodical approach for economic units;
- to optimize economic units management with balanced scorecard applying;
- to form economic units strategic management office;
- to apply software systems for creating, implementation, using and supporting of balanced scorecard in economic units;
- to make a program of balanced scorecard applying in unpredicted internals and stochastic externals;
- to explore BSC applying in regionalization and globalization trends;
- to research balanced scorecard problems and development trends on the modern stage of domestic economy and possible ways to overcome them;
- to benchmark successful projects examples in foreign and domestic balanced scorecard implementing.

Balanced scorecard as a management tool can also promote economy of culture institutions' security development from diversified treats and protect its tangible and intangible assets with special system of legal, economical, organizational, social, ecological, and IT arrangements. BSC also can define and concretize microeconomic security goal, decompose it to measurable tasks, and find treats and risks impact points. In-

formation mentioned above helps economic entity to provide and overcome possible problems, barriers and damages in its sustained development strategy.

BSC-based economic security evaluation and analysis system includes complex of coherent, interconnected blocks and stages of activity, which are systemized and adapted to the very tasks of techniques, methods, models. It makes possible to identify, assess and reduce the economic risk impact to a corporate resources optimal costs acceptable level. The main business unit functional areas (economic entity property, corporate finance, human resources, technology, innovation and information, microeconomic organizational structure) will correlate to its business processes and balanced scorecard perspectives. Also renewed economic units become more competitive.

Economy of culture sphere economic units' efficiency improving will be applied by IT support. IT technical support officers for balanced scorecard system in business units and economic entities must be responsible for the smooth running of computer systems and ensuring users get maximum benefits from them in accordance to BSC-oriented strategy, processes and operations [10]. Individual tasks vary depending on the size and structure of institution, but may include:

- installing and configuring computer hardware operating systems and applications;
- monitoring and maintaining computer systems and networks;
- talking staff or clients through a series of actions, either face to face or over the telephone to help set up systems or resolve issues;
- troubleshooting system and network problems and diagnosing and solving hardware or software faults;
- replacing parts as required;
- providing support, including procedural documentation and relevant reports;
- following diagrams and written instructions to repair a fault or set up a system;

- supporting the roll-out of new applications;
- setting up new users' accounts and profiles and dealing with password issues;
- responding within agreed time limits to call-outs;
- working continuously on a task until completion (or referral to third parties, if appropriate);
- prioritizing and managing many open cases at one time;
- rapidly establishing a good working relationship with customers and other professionals, e.g., software developers;
- testing and evaluating new technology;
- conducting electrical safety checks on computer equipment.

There are a number of Balanced Scorecard Collaborative certified program products for BSC:

- Oros Scorecard (ABC Technologies, recently purchased by SAS);
- CorManage (CorVu);
- Crystal Decisions Balanced Scorecard (Crystal Decisions);
- FlexBI (FlexBI Technology);
- Open Ratings Balanced Scorecard (Open Ratings);
- Hyperion Performance Scorecard (Hyperion Solutions Corp.);
- Performance Plus (InPhase Software);
- Oracle Balanced Scorecard (Oracle);
- Pbviews (Panorama Business Views);
- Strat&Go (Procos);
- Balanced Scorecard Manager (ProDacapo);
- QPR Scorecard (QPR);
- SAP SEM (SAP AG);
- SAS Solution for Balanced Scorecard (SAS Institute);
- Strategos (Vision Grupo Consultores) and some others.

National economy and separated economy of culture economic units' problem is absence of required quantity of highly qualified personnel for implementing





these products. Also there is no the list of requirements to them in economic entities.

Conclusions and prospects for further research. Suggested above will help to receive economic units' efficiency improving with BSC using for economy of culture sphere. This theses information can be useful for regional authorities on improving economical and management innovations, business leaders and economic universities students. Research on this topic will be continued in further issues.

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Економіка культури як об'єкт управління в умовах ентропії національної економіки

Стаття присвячена економіці культури як об'єкту управління в умовах ентропії національної економіки. Розвиток економіки культури як науки, що досліджує економічні проблеми як галузі культури взагалі, так і окремих суб'єктів стає все більш значущим. Теоретичні та практичні проблеми, що зв'язано з управлінням, фінансуванням, структурою, системою організації установ культури раніш були менш актуальними, так як цей напрям в більший мірі носив дотаційний характер. У даний час дослідження взаємозв'язку процесів формування та задоволення культурних потреб з точки зору макроекономіки, на рівні галузі культури та мікрорівні підприємств, що займаються виробництвом, збереженням, розподілом та обміном матеріальних і нематеріальних продуктів галузі культури свідчить про їх високий комерційний потенціал, який необхідно розвивати, підвищуючи конкурентоздатність підпри-

емств культури й удосконалюючи їх конкурентні переваги. При цьому слід враховувати стохастичність макросередовища функціонування цих економічних суб'єктів. У статті розкрито зміст економіки культури як значущого соціально-економічного явища. Показано особливості її функціонування в умовах ентропії національної економіки. Запропоновано удосконалення ефективності економічних одиниць даної галузі шляхом застосування системи збалансованих показників. Обґрунтовані технології ІТ-супроводу системи збалансованих показників на підприємствах сфери економіки культури.

Ключові слова: економіка культури, система збалансованих показників, підприємство, менеджмент, ентропія, національна економіка.

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Экономика культуры как объект управления в условиях энтропии национальной экономики

Статья посвящена экономике культуры как объекту управления в условиях энтропии национальной экономики. Развитие экономики культуры как науки, изучающей экономические проблемы как отрасли культуры в целом, так и ее отдельных субъектов становится все более значимым. Теоретические и практические проблемы, связанные с управлением, финансированием, структурой, системой организации учреждений культуры ранее были менее актуальными, так как это направление в большей мере носило дотационный характер. В настоящее время исследование взаимосвязи процессов формирования и удовлетворения культурных потребностей с точки зрения макроэкономики, на уровне отрасли культуры и микроуровне предприятий, занимающихся производством, хранением, распределением и обменом материальных и нематериальных продуктов отрасли культуры свидетельствует об их высоком коммерческом потенциале, который необходимо развивать, повышая конкурентоспособность предприятий культуры и совершенствуя их конкурентные преимущества. При этом следует учитывать стохастичность макросреды функционирования данных экономических субъектов. В статье раскрыто содержание экономики культуры как значимого социально-экономического явления. Показаны особенности ее функционирования в условиях энтропии национальной экономики. Предложено совершенствование эффективности экономических единиц данной отрасли путем использования системы сбалансированных показателей. Обоснованы технологии IT-сопровождения системы сбалансированных показателей на предприятиях сферы экономики культуры.

Ключевые слова: экономика культуры, система сбалансированных показателей, предприятие, менеджмент, энтропия, национальная экономика.

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