

THE PECULIARITIES OF STRATEGIC MANAGEMENT OF RURAL SOCIAL INFRASTRUCTURE DEVELOPMENT

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Abstract: The strategic management of Rural Social Infrastructure based on eight sectors: education, training, counseling; telecommunications; utilities and household services; transport; culture, sport and recreation; trade and catering services; health and social care and personal and property protection. The main research objective, namely, to stress out the necessity of rural social infrastructure strategic management has been reached. *The main research methods were used:* analysis and generalization of scientific literature, logical and systematical reasoning, graphic presentation of comparison, abstracts and other methods. The main elements of the RSI strategic management – vision, mission and main strategic priorities were defined using the case of Lithuania.

Keywords: strategic management, rural social infrastructure development.

ZASADY STRATEGICZNEGO ZARZĄDZANIA ROZWOJEM INFRASTRUKTURY SPOŁECZNEJ WIEJSKIEJ

Streszczenie: Zarządzanie strategiczne wiejską infrastrukturą społeczną uwzględnia osiem sektorów: edukacja, szkolenia, doradztwo; telekomunikacja; media i usługi domowe; transport; kultura, sport i rekreacja; usługi handlu i gastronomii; opieka zdrowotna i społeczna oraz ochrona osobista i własność. Osiągnięto główny cel badawczy, jakim jest podkreślenie konieczności zarządzania strategicznego infrastrukturą wiejską. Główne metody badawcze to analiza literatury naukowej, uogólnianie, logiczne i systematyczne wnioskowanie, porównanie. Uwzględniając studium przypadku Litwy, zdefiniowano główne elementy zarządzania strategicznego RSI – wizję, misję oraz główne priorytety strategiczne.

Słowa kluczowe: zarządzanie strategiczne, rozwój infrastruktury wiejskiej.

1. Introduction

Infrastructure continues to be an area of global investment growth, both in the developed world and in emerging markets (Weber, Alfen, Staub-Bisang, 2016). Rural Social Infrastructure (hereinafter referred to as the RSI) development is a formation of strong community through the ongoing territorial development and public engagement activities, allocation of resources, enhancement of competences and trustworthiness of community groups, empowering them to take effective actions and take up dominant attitude. In the scientific research rural social infrastructure (RSI) was defined as territorial and spatial system of interrelated economical and social activity types (which are not directly related to production industry) and relations, establishing proper conditions for ecosystem performance, creation of human, physical and social capitals to be used by individuals and the society itself for their private and social needs, maximise their potential for development.

According the author research results (Atkociuniene et al., 2015) and other authors (Myrzaliyev et al., 2016) the factors that have impact on efficiency of RSI development are: non-regulated and regulated. Non-regulated factors includes: geographic and geopolitical position, natural and climatic conditions of the territory, demographic composition and population structure, traditions, customs and mentality of the local population, resourceful provision of the territory, history of the rural area establishment and development. Regulated factors includes: institutional, administrative structure of the rural area, organizational and management factor, social and psychological factor, economic and market factors, investment potential, research and innovational potential.

Scientific Problem: RSI development is complex and problematic. The theoretical fundamentals of strategic RSI management are inconsequential and unsystematized. Conventional RSI management solutions are insufficiently incorporated and are not directed towards the development of rural areas; they are made and implemented without paying reasonable attention to the long-term perspective, interactions between sectors, activities and stakeholders. The theoretical fundamentals are unusable for creation of innovative RSI management opportunities. For this, reason the peculiarities of strategic RSI management will be analysed.

The object of research – strategic management of rural social infrastructure.

The aim of research – to identify the peculiarities of strategic management of rural social infrastructure development.

The main research methods: analysis and generalization of scientific literature, logical and systematical reasoning, graphic presentation of comparison, abstracts and other methods. The research period: 2011-2015.

In the article will be described strategic management of social infrastructure, provided the analysis of social infrastructure governance processes and determination of main principles

required in order to achieve efficient management of rural areas and sustained development of the region.

2. The theoretical framework of rural social infrastructure development management

The social infrastructure has no single definition and according to the task authors defined differently. Social infrastructure can be understood as a complex of municipal entity, constructions and institutions which provide the necessary material and cultural living conditions of the population on a certain territory (Gabdrakhmanov, Rubtsov, 2014), infrastructure is a means which is built, maintained and expanded in order to enable the functioning of society (Roelich, Knoeri et al., 2015).

In practise, in strategic plans and projects social infrastructure is synonym to social resources, „refers to the community facilities, services, and networks which help individuals, families, groups, and communities meet their social needs, maximise their potential for development, and enhance community wellbeing” (Social Infrastructure Strategic..., 2011). Social infrastructure includes „the processes, programs, events, services, networks and activities that support individuals and families to meet their social and personal needs in a particular place through personal growth, social interaction, social services support and community development“ (Berry, 2011).

The social infrastructure in the strategic plans (2011) includes:

- *universal facilities and services*: education, training, health, open space, recreation and sport, safety and emergency services, religious, arts and cultural facilities and community meeting places;
- *life cycle target facilities and services* for children, young people, and older people in the territory;
- *targeted facilities and services for groups* with special needs, such as families, people with a disability, and indigenous/culturally diverse people.

According the N.K. Gabdrakhmanov, V.A. Rubtsov (2014) the social infrastructure includes housing, institutions of science and art, of the general and vocational education, health and social security, trading enterprises and public utilities, and construction of sports and recreational facilities, passenger transport.

The concept of RSI strategic development should be based on socio-economic development of priority determination to the level of rural areas, analysis of the residents' needs and expectations, acquired level of development and state of social infrastructure (Tretyakova, Lavrikova, 2010).

The local level is the lowest that permits integration of the different logics by which government, society, and economy are organized (Figure 1). These include the spatial logics of public service and infrastructure hierarchies (for discrete units such as schools and clinics and networks structures such as roads and utilities), of governance (linking centers of political authority and administrative capacity with their jurisdiction), of social capital (networks of relationships based in identity-based affiliation and voluntary association), and of economic geography (linking rural resource-based production to urban market centers) (Helling, Serrano, Warren, 2005).

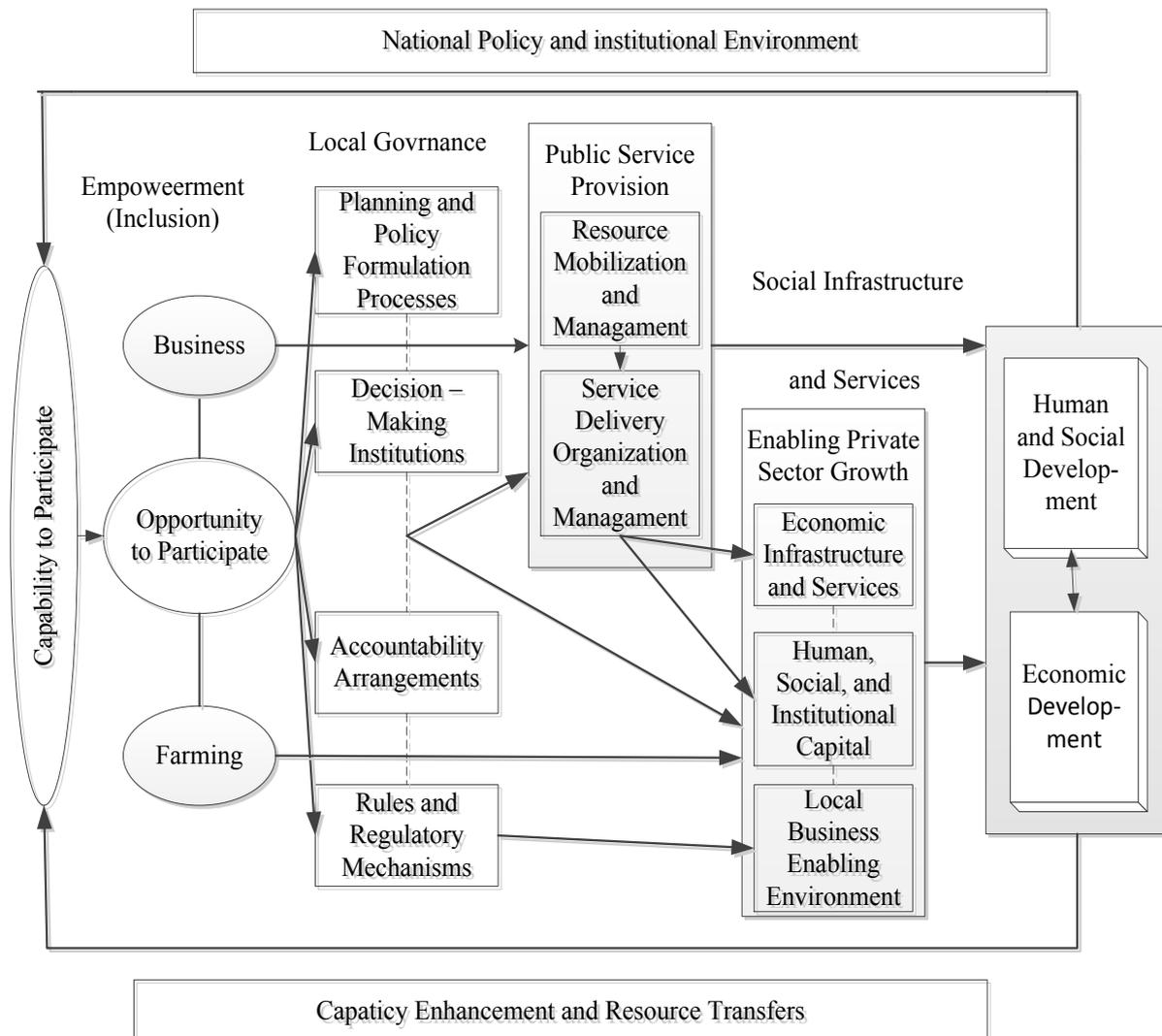


Figure 1. The Elements of a Framework for Local Development. Source: according to Helling, Serrano, Warren, 2005.

The essential condition for promoting social and economic development in rural areas is to thoroughly improve regional infrastructure according to sustainable development principles (Zitkus, Mickeviciene, 2013). Local service provision includes the arrangements by which resources are mobilized and managed, service delivery is organized and managed.

In the article the main attention was concentrated to one of the management functions – social infrastructure planning, which are new infrastructure creation and phasing out of outdated

one when cost-effective. The planning and delivery of social infrastructure shared between local, state and regional governments and community organisations with increasing participation from other interests, including private sector service providers, developers and industry (Social Infrastructure Strategic..., 2011). Social infrastructure planning in the context of Smart Growth enhance stakeholders understanding of social infrastructure, assist the integration of social infrastructure planning into existing territorial institutions planning processes, provide information to support social infrastructure planning, enhance community involvement in social infrastructure planning, and support collaborative planning for social infrastructure between territorial institutions and private providers of social infrastructure (Social infrastructure planning, 2009). R.A. Putri, W. Astuti, M.J. Rahayu (2016) the results showed that the community had capacity in providing child friendly social infrastructure and its supporting facility, even though it could not entirely attend the level of degree of citizen power. The highest level of community participation and occurred almost in all implementation stages, including planning, implementation (building and funding), and maintenance, was in the social infrastructure initiated by community and partnership.

RSI strategic management with the use of these principles leads to better results, faster development and strong RSI servicemarket position. Principles should be connected to strategic goals of RSI development, strategic thinking and creativity, strategic change, to information gathering and analyses (Hill, Jones, Schilling, 2014). Guiding principles of RSI development management can cover smart growth social infrastructure planning principles, rural areas development principles and others (Table 1).

Table 1.

Guiding principles to sustainable rural social infrastructure development management (Social Infrastructure Planning... (2009); McCann, Ortega-Argiles (2013); Atkociuniene et al. (2015); Cork 2.0 declaration (2016))

Smart growth social infrastructure planning principles (2009)	Rural areas development principles (2016)	The main principles for RSI management
<ul style="list-style-type: none"> - Understand and respond to diverse, current and future community needs and values communities includes the disadvantaged, disabled, migrants, elderly, young people etc.; - Employ the "Live, work and play" approach, a concept of community needs being met by a balanced network of opportunities and facilities; - Promote active participation of communities and community agencies in the planning and utilisation of social infrastructure; - Maximise access to social infrastructure, including appropriate location, physical 	<ul style="list-style-type: none"> - Promoting rural prosperity; - Strengthening rural value chains; - Investing in rural viability and vitality; - Preserving the rural environment; - Managing natural resources; - Encouraging climate action; - Boosting knowledge and innovation; - Enhancing Rural Governance; - Advancing policy delivery and simplification; - Improving performance and accountability. 	<ul style="list-style-type: none"> - Coordination of principles "from top to bottom" and "from bottom to top"; - Satisfaction of social needs and local initiatives; - Partnership and division of responsibility; - Involvement of local residents and decentralization of decision making processes; - Continuous study, professional development and stimulation of self-esteem; - Integrity and hierarchy; - Enhancing Rural Governance - Innovations, readiness for changes, efficiency; - Ecology and accountability.

access, proximity to public transport; - Maintain strategic leadership, work collaboratively with planners and providers of social infrastructure, both council and non-council; - Focus resources where the greatest benefits for communities can be obtained.		
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The main strategic goal of RSI development is satisfaction of social needs of local inhabitants and communities. In scientific literature (Atkociuniene et al., 2015; Vazonienė, Pakeltienė, 2017) usually acknowledged methods for determination of the needs for SI services are: local people surveys, surveys/interview of clients/consumers visiting the area, interview of specialists/experts, description of SI objects in the rural area (including statistical analysis of secondary data, census), note-taking templates, visual methods (such as photo/video methods), focus group method, evaluation of local organisations (e.g., municipality, local action groups, eldership, rural communities centers) activity reports.

According to Rudzkiene, Burinskiene (2007), an operational strategy, sometimes called a policy scenario, consists of several phases and can be constructed in different ways. The main reasons for developing RSI development scenarios are: to provide information strategy formation process; helping to build networks between people and institutions, developing their ability to better understand the vision of the development of a community collectively; broadly develop the capacity for managing change in rural areas; to strengthen the identity of the area.

Designing a scenario is a strategic planning tool used to create flexible, long-term plans. It is a method of learning and understanding the future, identifying the nature and effects of the most uncertain and important driving forces, rural development actors that influence the development of the area. Usually scientists identifies the scenario variables are as follows:

- the driving forces of the subject/subject of the study,
- actors,
- links between driving forces and actors.

The scenario writing method is based on determining the logic of a process or the phenomenon over time under various conditions. It applies to the development of progressive events from the present situation to the development of the future state of the object. From a managerial, methodological point of view, it is better to use the notion of "scenario planning" but not "scenario writing".

Scenario planning is a strategic planning tool used to make flexible long-term rural areas development plans. The main steps for the scenario planning were identified: scoping, trend analysis, building scenarios, generate options, test options, action planning. The main variables of scenarios are: driving forces of subject or object; rural development actors; relationship between the driving forces and actors. The rural areas development scenarios structure are introduction, main part and comments. The main driving forces of the area are:

- It is a force that can have a significant and lasting impact on the economic and social situation by redirecting the strategic objectives of the area linked to the strategic objectives of the development of the site, or these actions are likely to be in parallel policies or with clear innovatively;
- strengthens the concentration of funding and management functions;
- the local development strategy has a crucial role or strong synergy with other actions;
- can mobilize additional resources;
- requires additional contributions from additional funds or a specific environment.

3. The main problems and elements of rural social infrastructure strategic management of Lithuania

The main problems of RSI development in Lithuania which can be solved by means of strategic management are shown in Figure 2.

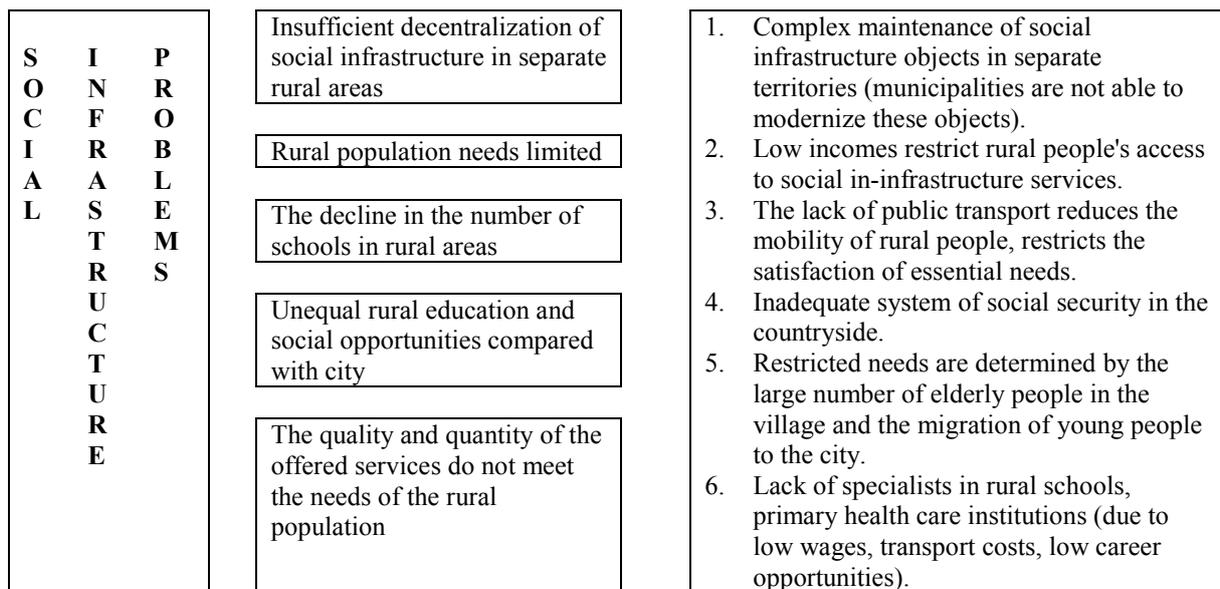


Figure 2. The main problems of rural social infrastructure development of Lithuania.

The lack of social infrastructure services is a major barrier to the integration of rural population into the common life of the country. The lack of social infrastructure services does not allow to reveal the creative and labor potential of people, restricting the level does not allow to reveal the creative and labor potential of people, restricting the level of satisfaction of needs. The lack of social infrastructure services is a major barrier to the integration of rural population into the common life of the country. The lack of social infrastructure services does not allow to reveal the creative and labor potential of people, restricting the level of satisfaction of needs. If social infrastructure services do not meet the needs of rural people, then the rural population becomes less well-off and can approach social risk groups. Minorly developed RSI hinders the

development of rural education, development and improvement of the quality of life. The most important groups of social infrastructure services (education, health care institutions, transport, etc.) are dedicated to meeting the most important needs of people. The shortcomings of RSI (weak education, science, and the lack of development of the public passenger transport sector) restrict people's ability to meet their critical needs and cause social isolation. This factor in the emergence of social exclusion and poverty contradicts the statement that all people, regardless of their gender, age, nationality must have equal opportunities to live a productive and freely chosen lifestyle. In addition, the proper existence of a living environment for every person is the basis for the development of other areas of life. It enables rural inhabitants to live a full and meaningful life.

The practice of Lithuania RSI development planning shows the lack of future orientation. The time horizon of planning is short-term, the strategic way of thinking beyond 7-10 years long period is missing or it has great deficiencies. It is not even considering the long-term opportunities. The short term plans are not derived from established perspectives, they do not have sufficient grounds.

The main elements of the RSI strategic management – vision, mission and main strategic priorities were defined using the case of Lithuania.

The vision of the RSI of Lithuania 2030 – harmonious rural localities of Lithuania in which the social infrastructure is evenly developed and functioning well, innovative methods and forms of creation of social goods and rendering of rural social infrastructure services are applied, during cooperation the identity and uniqueness of the rural localities has been saved, strong local economics has been created.

The mission of the RSI of Lithuania is by aiming towards the social wellbeing to ensure the functioning, accessibility of the services of the necessities, everyday and periodic demand, attainability of periodic and episodic services in the rural localities of Lithuania.

During the preparation of RSI scenarios, it was necessary to understand the dynamics of RSI development in retrospect, the past development, the strong and weak sides relating them with the principal RSI development agents in the strategic environment (Atkociuniene et al. (2015). The strategic foresights of the development of the RSI based on SWOT analysis of Lithuanian RSI situation.

Following the analysis of RSI state and the tendencies of development of RSI sectors the following types of localities have been distinguished (Atkociuniene et al., 2015):

1. The 1st type. Excellent and good RSI state exceeding the demands of local population;
2. The 2nd type. Satisfactory RSI state corresponding to the demands of the population;
3. The 3rd type. Very poor and poor RSI state slow in meeting the demands of the local population.

The strategic foresights of the development of the RSI of Lithuania for the formation of scenarios:

1. Strengthening of integration and cooperation between RSI sectors, objects, activities and agents.
2. Stimulation of coordinated communication and multilateral partnership between the RSI development agents.
3. Innovative employment of nature, cultural and human resources aiming to strengthen the local economics.
4. Diversification of organization of social goods and services and their rendering forms.

During the formation of the scenarios the impetuses – the principal factors predestining the general causal context of RSI development (as a phenomenon) were established, that is the objects that arise and promote the analyzed events in the spatial territorial system:

1. a network of RSI objects;
2. the sorts of RSI activities;
3. RSI agents and relations;
4. the conditions of the strategic breakthrough of RSI development.

The RSI is an integral subsystem of the social infrastructure for Lithuania and comprehensive multi-problem management objects. Combination of “top down” and “bottom up” principles can be ensured by horizontal and vertical communication between stakeholders (Figure 3).

Approaches	Objectives Values and norms	General RSI system requirements	Realisation of change
Formal analysis (“top down”):	Social welfare ↓	Efficiency and equity, system dynamics, terms of sustainability ↓	Social technological progress and structural change (endogenous) ↓
REGIONAL SUSTAINABLE DEVELOPMENT			
Participatory approaches (“bottom up”)	 ↑ Values and norms: individual, ethical and cultural foundation	 ↑ Social capital and local ecological knowledge	 ↑ Local action: innovation and implementation of measures, institutional change by involvement and participation

Figure 3. Combination of “top down” and “bottom up” principles of rural social infrastructure development management.

The „bottom-up” approach where individuals and groups of rural area work innovatively in developing new RSI development opportunities, prompted by contemporary and indigenous design and construction methods. The alternative „top-down” approach is associated with changes caused by external influences, such as directions given from funding sources, and encouragement for the use of specific knowledge and technologies; this is then filtered down through rural area administrative systems.

The integrated development planning principles drawn from the good practice and from the literature (Social Connection, Community..., 2012; Teriman, Yigitcanlar, Mayere, 2011; Gladstone social infrastructure..., 2011). RSI planning principles in local level are:

- *Community engagement.* Consultation needs to occur as early as possible in the planning process, Consumers are identified as product collaborators and source of creativity or are identified as the main value chain entity.
- *Asset-based community development.* Engaging residents on the basis of their aspirations, strengths and capacities and building a social infrastructure model around that asset base.
- *Flexible and inclusive.* Communities are diverse (new, culturally diverse, all ages; all abilities) and also change over time requiring a flexible and inclusive response to social infrastructure provision. Possible – is frequently cited as a guiding principle for decentralization policies and processes.
- *Prevention focus.* Prevention-focus programs delivered through or adjacent to universal services arrests the development of issues that can become entrenched and difficult and costly to reverse.
- *Early delivery of social infrastructure.* Early community engagement through a community development officer, for example, can begin the process of linking residents to each other and to local programs and services, ascertaining residents aspirations and strengths, establishing a sense of belonging.
- *Partnership approach.* Community wellbeing is the responsibility of the three tiers of government; developers; NGOs and the community itself. A partnership approach involving all stakeholders is required. Bringing stakeholders together increases the pool of resources in terms of funding, knowledge and experience and creates the conditions to provide a coordinated and comprehensive response.
- *Innovative.* Innovation, “thinking outside the box” to be encouraged.
- *Sustainable.* Sustainable models of social infrastructure delivery need to be sought and developed in the current funding climate. The capacity of the local community to participate in RSI service planning depends on the sustainability of the local community, as well as on the sustainability of the rural population's ability to participate and participation, the national policy and the institutional environment in rural areas, the ability of RSI's stakeholders to increase and transfer resources from one RSI sector to another.
- *Evaluation.* Evaluation processes need to be embedded in the RSI development management process.
- *Subsidiarity* the principle that public sector functions should be undertaken at the lowest level.

4. Conclusions

Desired RSI development processes on various hierarchical levels cannot happen spontaneously or randomly. They must be planned, installed and controlled constantly and systematically, i.e. become a managed object. Combination of “top down” and “bottom up” principles can be ensured by communication between stakeholders.

The main elements of strategic management of RSI are vision, mission and key strategic priorities emerging in foresights and scenarios. Foresights and scenario methods help to gradually identify areas where an intervention, depending on the local situation is the most appropriate.

During the realization of the scenarios it is necessary to strive towards the balance between RSI services supply and demand from the following viewpoints: from the viewpoint of the distance; from the viewpoint of flexibility; from the viewpoint of quality; from the viewpoint of price.

A special trait of rendering of RSI services in the rural localities is difficulties for the service consumers and suppliers. The difficulties for consumers depend on: proximity, attainability and accessibility. The difficulties for suppliers of the services depend on: consumption frequency, locality isolationism, competition of city services.

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