Innovative approaches to risk management in the field of public administration in Ukraine: prospects and limitations

Enfoques innovadores para la gestión de riesgos en el ámbito de la administración pública en Ucrania: perspectivas y limitaciones

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Abstract

In the dynamic landscape of public administration in Ukraine, addressing risks through innovative approaches has become a critical imperative. The primary aim of this study is to assess the prospects and limitations of innovative approaches to risk management within the field of public administration in Ukraine. By scrutinizing current practices, the study aims to provide insights into the effectiveness and potential hurdles associated with integrating innovative strategies into the risk management framework. A comprehensive review of relevant literature and case studies related to risk management in public administration in Ukraine was conducted. The results of the study reveal a range of innovative approaches employed in Ukrainian public administration for risk management. These

Resumen

En el dinámico panorama de la administración pública en Ucrania, abordar los riesgos mediante enfoques innovadores se convirtió en un imperativo crítico. El objetivo principal este estudio es evaluar las perspectivas y limitaciones enfoques innovadores de la gestión de riesgos ámbito la administración pública de Ucrania. Mediante el examen de las prácticas actuales, el estudio pretende aportar ideas sobre la eficacia y los posibles obstáculos asociados la integración de estrategias innovadoras en el marco gestión de riesgos. Se ha llevado cabo una revisión exhaustiva la bibliografía y los estudios de casos pertinentes relacionados con la gestión de riesgos en la administración pública de Ucrania. Los resultados del estudio revelan una serie enfoques innovadores empleados la administración pública ucraniana para la gestión de riesgos. También se identifican

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include technological solutions, data-driven decision-making processes, and adaptive governance strategies. It also identifies limitations such as bureaucratic impediments, resource constraints, and the need for enhanced legal frameworks. In conclusion, the findings underscore the importance of innovative risk management in Ukrainian public administration. The study advocates for a holistic approach, emphasizing the need for legal reforms, resource allocation, and fostering a culture of innovation within public administration entities. Therefore, the findings highlight the intricate balance between prospects and limitations in integrating innovative risk management approaches in Ukrainian public administration.

**Keywords:** public administrations, challenges, realization, Ukraine, digitalization.

**Introduction**

In recent years, the landscape of public administration in Ukraine has undergone significant transformations, marked by dynamic socio-political changes, economic challenges, and technological advancements. As the country strives to enhance governance effectiveness and foster sustainable development, the imperative for innovative approaches to risk management within the realm of public administration becomes increasingly apparent (Malachynska et al., 2022). This discourse explores the prospects and limitations associated with adopting novel methodologies in risk management, delving into the intricacies of their application within the Ukrainian public administration framework.

The relevance of this topic is underscored by the evolving nature of risks that confront public administration, ranging from political uncertainties and economic volatility to emerging threats in the digital realm. The traditional risk management paradigms may prove insufficient in addressing these contemporary challenges, necessitating a reevaluation of strategies and the infusion of innovative methodologies.

An analysis of existing studies reveals a critical gap in the exploration of avant-garde risk management practices tailored to the specific context of public administration in Ukraine (Samofatova et al., 2019; Strakhnitskyi, 2022). While conventional risk management has been extensively examined, the unique challenges and opportunities inherent in the Ukrainian administrative landscape call for a more nuanced and contextually informed approach (Tkachova et al., 2021; Vasynova, 2021). This study seeks to contribute to the existing body of knowledge by filling this void, offering insights into how innovative risk management strategies can be tailored to the Ukrainian public administration context.

The research problem at the heart of this investigation revolves around the identification of viable and effective innovative approaches to risk management within the Ukrainian public administration system. As Ukraine undergoes transformative changes, there is a pressing need to understand how these innovations can be harnessed to mitigate risks, enhance decision-making processes, and ultimately contribute to the resilience and efficiency of public administration. Important examples of innovative risk management approaches used in EU countries are the use of big data, social network analysis and artificial intelligence. These approaches are innovative, therefore, and recently began to be used in Ukraine.

The aim of this study is to provide a comprehensive examination of innovative approaches to risk management in the field of public administration in Ukraine, evaluating their potential prospects and acknowledging the inherent limitations. To achieve this aim, the research will be guided by the following tasks:

1. Conduct a thorough review of the current risk management landscape in Ukrainian public administration.
2. Identify and analyze innovative approaches to risk management implemented in other global contexts.

3. Examine the limitations and challenges associated with the integration of innovative risk management strategies in the Ukrainian context.

Through the accomplishment of these tasks, this study aspires to offer valuable insights that can inform policy decisions, enhance governance practices, and contribute to the overall resilience and adaptability of public administration in Ukraine. Thus, this research can have several important implications for both researchers and employees; in particular, an important contribution can be the justification of the need to reform the risk management system in Ukraine.

Literature review

In recent years, the field of public administration in Ukraine has experienced a notable surge in research exploring innovative approaches to tackle the evolving challenges of governance. Scholars have concentrated on diverse aspects, ranging from quality management in educational services to the role of project management in digital transformation. This literature review offers a succinct overview of key works contributing to our comprehension of innovative strategies within the context of public administration in Ukraine. For instance, Akhmedova, Avedyan, Gvazava, Shumska and Zilinska (2022) delved into innovative approaches in public administration to enhance the quality of educational services during transformative phases in Ukraine. Their work underscored the importance of adapting governance strategies to meet the dynamic needs of the education sector amidst societal transformations. However, the authors focused mainly on the local analysis, and did not discuss this problem in a wider (global) perspective. The work by Bannikov, Lobunets, Buriak, Maslyhan and Shevchuk (2022) examined the role of project management in the digital transformation of small and medium-sized businesses. Their research explored the essence and innovative potential of project management, emphasizing its significance in navigating the complexities of digital transformation within the business landscape. However, the shortcomings of this study are the local nature of the small businesses analyzed, it was worth doing a comparative analysis of them with large state institutions. Moreover, Blättler and Hunziker (2019) contributed to the understanding of public administration risk management. Their work, as a part of the Global Encyclopedia of Public Administration, provided a comprehensive overview of risk management practices, offering insights into the conceptual frameworks, processes, and challenges associated with risk management in public administration. Bodemann (2018) explored considerations of risk and the developments in risk management within the global economy. The author analyzed challenges and advancements in risk management, particularly within the context of public administration, providing valuable insights into navigating risks in a rapidly changing global economic environment. Although this research provides an important foundational framework, it is general and does not always take into account local management problems. The study by Kish (2023) discussed ensuring transparency and responsibility in public administration, particularly by the State Bureau of Investigations. The research emphasized the importance of transparency measures in enhancing accountability within public administration entities.

Bučková (2015) focused on knowledge management in public administration institutions. The study highlighted the role of knowledge management practices in improving organizational efficiency within the public sector, emphasizing the importance of innovation in decision-making processes. The research by Colan, Vrabie, and Raducan (2019) discussed marketing mix approaches in educational services and public administration. Their work explored the interconnectedness of marketing strategies between educational services and the public administration domain, contributing to a nuanced understanding of how marketing principles can be applied to enhance effectiveness. Jurczak (2016) focused on intellectual capital risk management for knowledge-based organizations. The study explored strategies for managing intellectual capital risks, providing valuable insights into risk management practices within knowledge-intensive organizations.

In addition, Czerwińska (2016) investigated the impact of insurance companies’ investment policies on risk management in the public sector. The study analyzed the complex relationship between financial strategies of insurance entities and their implications for risk management in public administration. Dooranov, Orozonova and Alamanova (2022) explored the economic basis for the training of specialists in personnel management, focusing on future prospects. Their
research provided insights into the economic considerations shaping the training of specialists, contributing to discussions on the future trajectory of personnel management in the economic landscape. The study by Koźuch and Sienkiewicz-Matżyrek (2016) explored the multidimensionality of risk in public safety management processes. Their research highlighted the diverse factors contributing to risks in public safety management, providing a comprehensive perspective on risk management strategies. Hanushchyn (2022) investigated the relationship between public management and administration, applying civilization and transformation approaches to social relations in Ukraine. The study explored the interplay of governance methodologies and societal transformations, offering insights into the dynamic nature of public administration in the Ukrainian context. However, the study mainly took into account the realities of Ukraine, and did not take into account the global context of the study. Furthermore, Ivanova (2021) delved into the mechanisms of public administration in the field of physical culture and sports in Ukraine. The research contributed to our understanding of the specific challenges and opportunities in managing public affairs related to sports and physical culture. Finally, Krok (2018) contributed insights into innovations in public administration. The study explored the evolving landscape of innovations within the field of public administration, emphasizing the importance of adapting to emerging trends and technological advancements.

To sum up, these works collectively contributed to the ongoing discourse on innovative approaches to risk management and public administration in Ukraine. The diverse range of topics, from education and project management to risk considerations and economic foundations, highlighted the multidimensional nature of challenges in the field and underscored the need for adaptive and innovative governance strategies. However, the topic of the main problems and perspectives on the way of introducing innovations into the management system still remains relevant and incompletely researched. In particular, an important direction is the comprehensive analysis of innovative approaches to risk management in the field of public administration.

Methodology

Research purpose and prerequisites

The main goal of this study is to characterize and analyze innovative approaches used in risk management practices in the sphere of public administration in Ukraine. The research is driven by the need to understand, evaluate and potentially improve the strategies and mechanisms used to manage risk in the public sector. The study will contribute to a broader discussion of effective governance, identify opportunities for improvement, and recognize constraints that may hinder the successful implementation of innovative risk management practices.

Type of research

This study uses a qualitative approach based on an analysis of the available scientific literature. Being a review article, the methodology focuses on synthesizing findings from relevant scientific sources to provide a comprehensive understanding of innovative risk management in the context of public administration in Ukraine.

Data collection

For the review article, which is based on the analysis of scientific sources, the selection of literature was based on the following aspects:

1. Sources of literature. Using authoritative academic databases, including but not limited to Google Scholar, Scopus, Ebsco, PubMet, DOAJ, IndexCopernicus Web of Science, to collect relevant scientific articles, books and reports. Data from special research platforms and libraries were also used, including AcademiaEdu, ResearchGate, and the Vernadskyi National Library.
2. Search keywords. The search is carried out using key terms such as “innovative risk management”, “innovation”, “risk”, “governance mechanisms”, “public administration”, “innovative methods”, “approaches” and “Ukraine” to ensure the inclusion of literature, relating to the objectives of the study.
3. Date range. The search covers a defined time frame (2015-2023), considering relevant literature published during the last decade to capture recent developments and trends.
4. Regional focus. The study focuses on the Ukrainian context, so regional limitations are set to include sources that specifically
relate to risk management practices in the Ukrainian public administration. However, general fundamental works were used as the methodological basis of the general concept of public administration.

Eliminating biases in the literature selection and analysis process is important to this study. Several methods are used for this. In particular, a comprehensive search strategy. The search for sources was systematic based on the use of numerous databases and search tools. This helped to minimize the omission of relevant sources. Also, special criteria for the inclusion of literature were developed, which contributed to the management of the selection process. Thus, this study is based on various criteria for the inclusion of literature. Table 1 summarizes the main criteria for the inclusion of research literature, which are based on the principles of relevance, appropriateness of the topic, diversity, and the language criterion (See Table 1).

Table 1. Literature inclusion criteria

<table>
<thead>
<tr>
<th>No.</th>
<th>Inclusion criteria</th>
<th>Description</th>
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<tbody>
<tr>
<td>1</td>
<td>Relevance to innovative risk Management</td>
<td>Selected literature must directly address or contribute insights into innovative approaches to risk management within the context of public administration. This includes studies, articles, and reports that discuss novel strategies, methods, or frameworks for identifying, assessing, and mitigating risks in the public sector. Literature selected for inclusion should be recent and up-to-date, with a focus on publications within the last ten years. This criterion ensures that the research reflects current trends, practices, and advancements in the field of risk management within the specified timeframe. The inclusion criteria consider a diverse range of research methodologies, including qualitative, quantitative, and mixed-methods approaches. Preference is given to literature published in peer-reviewed journals, conference proceedings, and reputable academic publishers. This criterion ensures the reliability and academic rigor of the selected sources, contributing to the overall quality of the literature review. The selected literature should align with the overarching themes of the research, encompassing topics such as technological innovations in risk management, policy frameworks, organizational strategies, and the effectiveness of innovative approaches in the public administration domain. Literature published in Ukrainian, English or with available English translations is prioritized. This criterion facilitates accessibility for a wider audience and ensures that language barriers do not hinder the inclusion of valuable insights. The research values inclusivity and diverse perspectives. Therefore, literature authored by researchers from various backgrounds, including academia, government, and industry, is considered for inclusion.</td>
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<tr>
<td>2</td>
<td>Publication date</td>
<td>The research values inclusivity and diverse perspectives. Therefore, literature authored by researchers from various backgrounds, including academia, government, and industry, is considered for inclusion.</td>
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<tr>
<td>3</td>
<td>Methodological diversity</td>
<td>The research values inclusivity and diverse perspectives. Therefore, literature authored by researchers from various backgrounds, including academia, government, and industry, is considered for inclusion.</td>
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<tr>
<td>4</td>
<td>Peer-reviewed sources</td>
<td>The research values inclusivity and diverse perspectives. Therefore, literature authored by researchers from various backgrounds, including academia, government, and industry, is considered for inclusion.</td>
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<tr>
<td>5</td>
<td>Thematic alignment</td>
<td>The research values inclusivity and diverse perspectives. Therefore, literature authored by researchers from various backgrounds, including academia, government, and industry, is considered for inclusion.</td>
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<td>6</td>
<td>Language</td>
<td>The research values inclusivity and diverse perspectives. Therefore, literature authored by researchers from various backgrounds, including academia, government, and industry, is considered for inclusion.</td>
</tr>
<tr>
<td>7</td>
<td>Diversity of authors and perspectives</td>
<td>The research values inclusivity and diverse perspectives. Therefore, literature authored by researchers from various backgrounds, including academia, government, and industry, is considered for inclusion.</td>
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</table>

Source: Author’s development

By adhering to these inclusion criteria, the literature selected for the research contribute substantially to the exploration of innovative risk management practices in the field of public administration in Ukraine, offering a well-rounded and insightful overview of the current landscape and future prospects. However, it is also worth highlighting certain limitations of this methodology, since the research is based on the analysis of literature, it is worth defining the subjectivism that may be present in the works.

Data analysis

Data analysis involves a thorough study of the selected literature to obtain key insights into innovative risk management in public administration. This process includes thematic analysis, generalization of opinions and comparative analysis.

In particular, the thematic analysis enabled the identification of recurring themes, concepts and methodologies present in the literature to categorize and organize the results. The method of summarizing opinions has become important for the integration of information from different sources to build a coherent narrative about innovative risk management practices in the Ukrainian context of public administration. At the final stage, a comparative analysis was used, that is, a comprehensive comparison was made
between various studies, methodologies and results to identify patterns and variations in approaches to risk management.

Using these methods, the research aims to provide a comprehensive and detailed understanding of innovative strategies, prospects and limitations related to risk management in the sphere of public administration in Ukraine.

**Results and discussion**

Innovativeness in public administrations (PA) can be defined as the readiness and ability of administration to create, adopt, and implement solutions that contribute to improving both its internal processes and tasks carried out at the interface of administration and society (Akhmedova et al., 2022).

The criterion of scale of changes is usually closely related to the criterion of process stability. Thus, we can distinguish:

- **radical innovations** – causing breakthrough changes, involving a complete revolution in a given area; regarding process stability, such innovations are usually discontinuous;
- **incremental innovations** – involving the introduction of minor modifications to improve the current state; such innovations are typically continuous (Krok, 2018).

Considering the criterion of originality, or the degree of novelty:

- **creative innovations**, also known as pioneering or absolute innovations, which result from original solutions that have not yet been used;
- **adaptive innovations**, also known as imitative or replicative innovations, which replicate existing solutions but not in a negative sense. These are highly recommended for poorer countries that cannot afford extensive research on a large scale (Krok, 2018).

The classification according to the first three criteria largely overlaps with how innovations are applied in commercial firms. However, when it comes to the criterion of the object of innovation, innovations typical for public administration have been identified:

1. **Service-related (new/improved public service)**, e.g., improving the quality of public transport (including its accessibility, frequency, environmental friendliness, punctuality, travel comfort, or reducing travel time), introducing city cards, making public bicycles available, creating industrial zones for entrepreneurs, developing incubators, establishing technological parks;
2. **Process-related, technological** (changes in the way of manufacturing/implementing/delivering services), related to the informatization of administration and the development of e-services;
3. **Administrative** (changes in procedural approaches, using new policy instruments), e.g., public consultations, citizen budgets;
4. **Organizational** (changes in the organizational structure of administration), e.g., quality management systems, formal solutions: communal associations – intermunicipal, inter-district, informal metropolitan networks (agglomerations);
5. **Systemic** (new way of interacting/cooperating with other organizations), e.g., public-private partnerships as an example of innovation in financial management (a private entity undertakes to implement a project for remuneration and to bear “all or part of the expenses for its implementation”; the public entity, in turn, undertakes to cooperate in achieving the goal of this project), cooperation with clusters (Mura, 2022; Krok, 2018).

Modern information society requires innovative methods of operation. The public sector is under increasing pressure to improve its organizations in terms of increasing efficiency, effectiveness, and raising the standard of services. One can observe the shaping of a specific culture of continuous improvement in the management of public institutions, using methods and tools applied in the private sector (Muliarevych, 2022; Savchuk et al., 2023). Aware of their rights, citizens are gradually raising the bar for public administration, demanding high quality, quickly delivered services, and full access to information.

In the literature, it has been discussed general perspectives on risk management in the public sector administration (Fedulova, 2019). Researchers have specifically addressed the risk associated with innovations in Public Service Organizations (PSOs) (Czerwińska, 2016; Ivanova, 2021). Similar to the commercial sector, innovations in the public sector involve investments and entail inherent risks. Both social and public innovations require resources for implementation, necessitating risk management (Tsekhmister et al., 2021a). The need for risk...
management in the public sector stems from the focus of innovations on service profiles and delivery methods, which are crucial for society. Public risk arises when new services are created, existing ones are improved, or changes are made in service provision methods, customer interactions, market expansion, or organizational adjustments for public service delivery. This indicates that public risk is inherent in such processes and is pervasive. PSOs may face different risks (See Table 2).

Table 2.
Risks, which PSOs may face with

<table>
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<th>Risk</th>
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<tr>
<td>Technological innovations</td>
<td>Innovations such as improper integration and utilization of current technologies, inadequate adaptation of technologies to a specific PSO's needs, ineffective advanced IT and ICT processes, inadequate automation of routine processes, substandard service quality, unreliable IT support, inadequate delivery of ICT services, including online services in electronic communication, and a low level of quality control in public service performance) [i.e. technological risk, which arises from the deviations mentioned above in PSOs]. It is including low internal effectiveness of the organization, ineffective and poorly organized combination of control and coordination processes, inadequate staff selection, low quality of human resources training and utilization, insufficient improvements in functional specializations, inadequate advisory support in management, ineffective management of a PSO, insufficient legal support and auditing, and low quality of HR services) [i.e. organizational risk, arising from the aforementioned deviations in PSOs]. Innovations such as inadequate flexibility, leading to a failure to adapt to a dynamic environment for a PSO, inadequate positioning of a PSO, insufficient defense against contradictory or non-compliant regulations, deficiencies in PSO management, inadequate online services, poor auditing and legal support, and ineffective marketing of services); [i.e. strategic risk, arising from the deviations mentioned above in PSOs]. It is including inadequate functional division of work, insufficient focus on PSO’s key activities, neglect of PSO’s operational capacity and image, inadequate language services, substandard courier services, poor quality of operational services, and inadequate security services, including lack of safety) etc. [i.e. operational risk, arising from the deviations mentioned above in PSOs].</td>
</tr>
<tr>
<td>Organizational innovations</td>
<td>Innovations such as inadequate flexibility, leading to a failure to adapt to a dynamic environment for a PSO, inadequate positioning of a PSO, insufficient defense against contradictory or non-compliant regulations, deficiencies in PSO management, inadequate online services, poor auditing and legal support, and ineffective marketing of services); [i.e. strategic risk, arising from the deviations mentioned above in PSOs]. It is including inadequate functional division of work, insufficient focus on PSO’s key activities, neglect of PSO’s operational capacity and image, inadequate language services, substandard courier services, poor quality of operational services, and inadequate security services, including lack of safety) etc. [i.e. operational risk, arising from the deviations mentioned above in PSOs].</td>
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<tr>
<td>Strategic innovations</td>
<td>Innovations such as inadequate flexibility, leading to a failure to adapt to a dynamic environment for a PSO, inadequate positioning of a PSO, insufficient defense against contradictory or non-compliant regulations, deficiencies in PSO management, inadequate online services, poor auditing and legal support, and ineffective marketing of services); [i.e. strategic risk, arising from the deviations mentioned above in PSOs]. It is including inadequate functional division of work, insufficient focus on PSO’s key activities, neglect of PSO’s operational capacity and image, inadequate language services, substandard courier services, poor quality of operational services, and inadequate security services, including lack of safety) etc. [i.e. operational risk, arising from the deviations mentioned above in PSOs].</td>
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<tr>
<td>Operational innovations</td>
<td>Innovations such as inadequate flexibility, leading to a failure to adapt to a dynamic environment for a PSO, inadequate positioning of a PSO, insufficient defense against contradictory or non-compliant regulations, deficiencies in PSO management, inadequate online services, poor auditing and legal support, and ineffective marketing of services); [i.e. strategic risk, arising from the deviations mentioned above in PSOs]. It is including inadequate functional division of work, insufficient focus on PSO’s key activities, neglect of PSO’s operational capacity and image, inadequate language services, substandard courier services, poor quality of operational services, and inadequate security services, including lack of safety) etc. [i.e. operational risk, arising from the deviations mentioned above in PSOs].</td>
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</table>

Source: adapted from analysis Krok (2018); Akhmedova et al. (2022)

There are numerous other types of risks encountered when implementing innovations in public organizations, such as poor public relations. The significance of legal risk should be highlighted. Ignorance of the law is not an excuse, and all processes in PSOs require some form of legal support, especially concerning innovations. Legal errors can have specific consequences, including financial effects. Among the risks associated with innovations in public services, the focus should be on the risk of public service quality and cost (Kożuch & Sienkiewicz-Malyjurek, 2016). These are two primary components of innovation-related risks in public services. A third element to consider is the risk related to the time required to implement innovation processes in PSOs. All efforts to introduce innovations in PSOs aim to improve service quality. However, low quality of public services or service performance that fails to meet recipients’ expectations should be seen as a fundamental type of risk (Raczkowski & Tworek, 2016).

Many post-socialist countries aspire to implement public administration reforms, but even those that have joined the EU have not achieved much success in a comprehensive reform of their PA systems to approach European standards. For example, Croatia has succeeded only in two areas, namely openness/transparency and regulatory policy. In the Czech Republic, the reforms that are needed are adopted formally without following up with substantive changes in public management. In Lithuania, the reform agendas have changed depending on the politically dominant parties, which have hindered overall progress. After 25 years of PA reform, Slovakia still lags behind the EU average level for most governance quality indicators due to path-dependency and excessive politicization (Mura, 2022).

By the middle of the 2010s, the Ukrainian public administration (PA) system had significantly deteriorated and was effectively destroyed, unable to ensure the well-being and security of
its citizens or even maintain statehood itself. Public institutions served the private interests of the ruling elite, which seized control of the most lucrative sectors of the national economy through state capture. This situation was not surprising, as Ukraine was among the post-socialist countries most resistant to PA reforms. This viewpoint was widely held among Ukrainian scholars, who attributed the nation’s political, economic, and social development challenges to the outdated post-Soviet PA system, which was incapable of formulating adequate policies or implementing them efficiently in the face of volatile internal and external conditions.

The essence of management innovations in Ukraine encompasses the strategic implementation of novel approaches within the management system to enhance efficiency and effectiveness in achieving organizational goals. This is particularly crucial in the context of the country’s ongoing reform programs, where the successful integration of management innovations aims to create and maintain sustainable competitive advantages, ultimately expanding the socio-economic capabilities of management objects and subjects (Portnoy, 2023). In the Ukrainian context, the development and implementation of innovative mechanisms are deemed essential for fostering a conducive environment for innovation, leveraging advanced scientific achievements, and incorporating successful practices into the management activities of public authorities. These innovative mechanisms operate across various levels of economic management, contributing to the formulation of the state's innovative development strategy at the macro level. They play a pivotal role in creating a favorable innovation climate for the national economy and driving the implementation of state-led innovative projects.

At the regional level, similar tasks are performed, with a tailored approach that considers the distinctive characteristics of different regions within Ukraine. The importance of innovative mechanisms is particularly highlighted in the local context, especially with the decentralization of power (Fedulova, 2019).

Table 3.
A structured overview of how innovative mechanisms operate at different levels of economic management in Ukraine

<table>
<thead>
<tr>
<th>Level of Management</th>
<th>Key Functions of Innovative Mechanisms in Ukraine</th>
<th>Examples and Context</th>
</tr>
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<tbody>
<tr>
<td>Macro Level</td>
<td>Formulation of state’s innovative development strategy, fostering a conducive innovation climate, and driving state-led innovative projects.</td>
<td>Implementation of the “Concept for the development of the digital economy and society of Ukraine0,” integration into the EU Program Interoperability Solutions, participation in eCODEX and e-Invoicing projects.</td>
</tr>
<tr>
<td>Regional Level</td>
<td>Similar tasks performed, considering distinctive characteristics of different regions within Ukraine. Innovative mechanisms become crucial in resource utilization, strategy implementation, and execution of development projects within united territorial communities (UTCs). Providing favorable conditions for the development of creative thinking, research, and the successful implementation of innovations with active participation from civil society.</td>
<td>Implementing digital tools for local governance, utilizing innovative approaches in resource allocation, and community-driven development projects.</td>
</tr>
<tr>
<td>Local Level (Decentralized)</td>
<td></td>
<td>Encouraging local innovation hubs, supporting community-driven initiatives, and involving citizens in decision-making processes.</td>
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</tbody>
</table>

Source: Fedulova (2019).

Therefore, the deployment of innovative mechanisms in Ukraine operates at various levels of economic management, tailoring strategies to regional and local dynamics. These mechanisms...
actively involve the micro-level, promoting community-driven innovation and fostering an environment that encourages creativity (Akhmedova et al., 2022). In the Ukrainian context, innovative mechanisms not only adapt to the evolving landscape but also proactively shape and drive the trajectory of management practices, ensuring continual progression and competitiveness in alignment with the country's socio-economic goals.

In the realm of public management of Ukraine, the pursuit of innovation is paramount for addressing contemporary challenges and fostering sustainable development. The practical application of innovative approaches in public administration encompasses a spectrum of key issues that are central to advancing governance and enhancing the quality of public services. The most pertinent issues in the field of public management innovation in Ukraine include:

1. **Formation of an innovative model of city development.**

   *Knowledge economy foundation.* The emphasis lies in establishing a city development model grounded in the principles of the knowledge economy. This involves leveraging intellectual capital, fostering research and development initiatives, and promoting educational advancements to drive economic growth (Fedulova, 2019).

2. **Search for investments in innovative entrepreneurial areas.**

   *Attraction of foreign investments.* A critical aspect is the active pursuit of investments for innovative entrepreneurial activities. This extends to the proactive engagement with foreign investors to fuel local and regional development, thereby stimulating economic growth through innovative ventures (Fedulova, 2019; Bannikov et al., 2022).

3. **Development of a network of innovative structures.**

   *Establishment of Business Centers and Startups.* To cultivate innovation, the focus is on creating a network of innovative structures, such as business centers and startup companies. This initiative is aimed at fostering entrepreneurship, providing a supportive ecosystem for startups, and promoting a culture of continuous innovation (Bannikov et al., 2022; Tsekhmister et al., 2021b).

4. **Management of Quality Services through ISO 9001:2000.**

   *International Standards Implementation.* A critical facet involves the management of the quality of public services through the adoption of the International Organization for Standardization (ISO) 9001:2000. This international standard serves as a framework for ensuring the effectiveness and efficiency of administrative services.

5. **Institutional development of analytical centers (Fedulova, 2019).**

   *Integration of Knowledge into Local Governance.* An essential component is the institutional development of analytical centers and consulting structures. These entities serve as instruments for injecting knowledge into the activities of local self-government bodies, enhancing informed decision-making and policy formulation (Bučková, 2015; Tsekhmister et al., 2021b).

6. **Cultural and Economic Regionalization.**

   *Localization of Cultural Industries.* Another key consideration is the cultural and economic regionalization strategy. This involves the localization of models for the development of cultural (creative) industries, thereby contributing to the formation of an innovative capacity within the social environment (Fedulova, 2019).
In Ukraine, the government's operational agenda has explicitly outlined the digitalization of the country as a pivotal innovative approach, as outlined in the priorities. This strategic emphasis on digitalization aligns with overarching goals that encompass the comprehensive transformation of public services, widespread digital literacy training for a minimum of 6 million Ukrainians, and the ambitious target of integrating up to 10% of the IT sector into the country's gross domestic product (Kostenyuk et al., 2021). The strategic roadmap for digitization prioritizes specific sectors crucial to the nation's development, including customs, tax administration, urban planning, land protection, healthcare, education, social protection, pension provision, judicial proceedings, and information security (Digital Agenda of Ukraine-2020, 2016). The overarching aim is to enhance the efficiency, transparency, and accessibility of these sectors through the strategic application of digital technologies (HITECH office, 2016). Digital technologies, as the cornerstone of the state's digital development policy, are envisioned to uphold fundamental principles. These principles include default digitization, ensuring openness, reusability of data, technology neutrality, and portability of information, citizen-centricity, inclusiveness, accessibility, safety, and privacy (Portnoy, 2023). The adoption of these principles by executive authorities is not merely a procedural formality; rather, it marks a pivotal shift, creating a point of no return from analog elements in administrative and management decision-making processes. The commitment to digitalization reflects a transformative agenda where the government seeks to harness the full potential of technology to streamline public services, empower citizens through digital literacy, and integrate the IT sector as a driving force in the national economy. This strategic focus not only propels Ukraine towards the digital future but also underscores a fundamental shift in governance philosophy towards a more transparent, efficient, and citizen-centric paradigm (Kostenyuk et al., 2021).

Acknowledging the prevailing global trends in digital advancements within the realm of public administration, Ukraine has positioned itself to embrace a forward-looking approach. This commitment is exemplified by the enactment of the Cabinet of Ministers of Ukraine's Decree No. 67 on January 17, 2018, which formally approved the “Concept for the development of the digital economy and society of Ukraine for 2018–2020 (Order, 2018).” This strategic framework envisions a synergistic integration of social, mobile, cloud technologies, data analytics, and the Internet of Things. The collective application of these technologies is anticipated to catalyze transformative shifts in public administration, rendering the sector more effective, responsive, and valuable to the citizenry. Aligned with the provisions outlined in the Concept, Ukraine embarked on a comprehensive digitalization initiative across three key areas during the period 2018–2023, harmonizing with European legislation standards (Order No 167, 2021). The first strategic thrust revolves around interoperability (Interoperability) and electronic services (eServices). Ukraine actively participated in the EU Program Interoperability Solutions for European Public Administrations 2, engaged in

Figure 1. Modern organizational structures of public administration. Source: based on Fedulova (2019)
projects such as eCODEX and e-Invoicing, and contributed to the Single Digital Gateway initiative (Order No. 649, 2017). These initiatives aim to enhance collaboration, streamline services, and foster interoperability between Ukraine and European counterparts. The second strategic focus area is open data, marked by the establishment of the state open data web portal (data.gov.ua). This portal was seamlessly integrated into the central European open data portal europeandataportal.eu and data.europa.eu (Kostenyuk et al., 2021). The objective is to boost the transparency, openness, and efficiency of governmental operations, laying the groundwork for the burgeoning open data industry. The third crucial facet of the digitalization strategy is electronic identification (eID), aligning with the implementation of Regulation No. 910 (eIDAS) adopted by the EU in 2014 (EDICOM, s.f.). The overarching objective of this regulation is to set uniform standards for electronic identification development, provision of electronic trust services within EU countries, and the facilitation of cross-border e-identification (Resolution No. 56., 2019). This project is oriented towards standardizing electronic identification in realms such as e-medicine, electronic public services, and e-banking. The ultimate goal is to contribute to the development of the EU Digital Single Market, promote cross-border collaboration, enhance the mobility of EU citizens and businesses, and reinforce the digital infrastructure. Ukraine's strategic pursuits in the digitalization landscape reflect not only an alignment with international best practices but also a commitment to fostering innovation, transparency, and efficiency within its public administration (Kostenyuk et al., 2021). The outlined initiatives underscore Ukraine's proactive stance in embracing digital transformations to propel the nation into a more connected and technologically advanced future. On the other hand, in the context of Ukraine, several constraints impede the seamless digitalization of public administration. These limitations stem from various factors, including technological, infrastructural, regulatory, and socio-economic aspects (See Table 4).

Table 4.
Description of constraints on public administration digitalization in Ukraine

<table>
<thead>
<tr>
<th>Infrastructure Challenges</th>
<th>Example</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Limited broadband access in rural areas hinders the widespread adoption of digital services, as citizens may face difficulties accessing online platforms.</td>
</tr>
<tr>
<td>Technological Gaps</td>
<td>Example</td>
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<td></td>
<td>Outdated hardware and software in some government agencies may result in compatibility issues, slowing down the overall digitalization process.</td>
</tr>
<tr>
<td>Cybersecurity Concerns</td>
<td>Example</td>
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<td></td>
<td>Heightened vulnerability to cyber threats poses a challenge, as inadequate cybersecurity measures may compromise the integrity and security of digital systems.</td>
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<tr>
<td>Limited Digital Literacy</td>
<td>Example</td>
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<tr>
<td></td>
<td>A significant portion of the population lacks sufficient digital literacy skills, hindering their ability to fully engage with online public services.</td>
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<tr>
<td>Bureaucratic Inertia</td>
<td>Example</td>
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<td></td>
<td>Resistance to change within bureaucratic structures may impede the swift implementation of digital solutions, as officials may be reluctant to adopt new technologies.</td>
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<tr>
<td>Resource Constraints</td>
<td>Example</td>
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<tr>
<td></td>
<td>Limited financial resources allocated to digitalization initiatives may slow down progress, preventing the acquisition of advanced technologies or the hiring of skilled personnel.</td>
</tr>
<tr>
<td>Legal and Regulatory Framework</td>
<td>Example</td>
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<tr>
<td></td>
<td>Complex and outdated regulatory frameworks may create legal uncertainties and impede the development of clear guidelines for digital initiatives.</td>
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<tr>
<td>Interoperability Challenges</td>
<td>Example</td>
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<tr>
<td></td>
<td>Lack of standardized systems across government agencies may lead to interoperability issues, hindering seamless data exchange and collaboration.</td>
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<tr>
<td>Data Privacy Concerns</td>
<td>Example</td>
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<td></td>
<td>Stringent data protection regulations may limit the scope of digital initiatives, as concerns over privacy may result in cautious implementation.</td>
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<tr>
<td>Educational System Challenges</td>
<td>Example</td>
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<tr>
<td></td>
<td>Insufficient integration of digital skills into the education system may result in a workforce that lacks the necessary skills for effective digital participation.</td>
</tr>
</tbody>
</table>

Source: Author’s development
Ukraine has shown a commitment to embracing digital advancements in public administration, as seen in the approval of the “Concept of the development of digital competences and the approval of the plan of measures for its implementation” (Order No 167, 2021) This strategic framework aims to integrate technologies such as social, mobile, cloud, data analytics, and the Internet of Things to enhance public administration effectiveness. Initiatives such as interoperability, open data, and electronic identification align with European standards and aim to boost transparency, efficiency, and collaboration. Despite these efforts, Ukraine faces constraints in digitalization, including technological, infrastructural, regulatory, and socio-economic factors.

The results obtained during the study confirm the conclusions of other scientists. In particular, it is important to agree with the conclusions of Sayed (2023) regarding the use of certain business practices in modern public administration, which is provided by state authorities. Similarly, the proposed study confirmed the results of Volokhova & Evseenko (2016). Volokhova & Evseenko (2016) offer new definitions of vectors for the development of innovative methodological approaches to the study of social responsibility in the field of risk management. On the basis of the obtained results, it is possible to confirm the hypothesis of the specified researchers that, under modern circumstances, an important renewal of the public administration system is taking place in Ukraine. At the same time, if they emphasized the digitalization of such management as a deep prospect, it is evident in the proposed study that such prospects did not require a long time to be realized. It is worth agreeing with the general concepts of Jurczak (2016), who believed that the use of intellectual capital is an important factor in the provision of qualified administrative services. As indicated in the study, despite the numerous challenges, one of the ways of further improvement is the involvement of high-level specialists with relevant skills and knowledge not only in the professional field, but also in the ability to communicate with service users. By the way, similar conclusions were also reached by other scientists who identified the importance of training and training of personnel as important elements of the further reform of public administration (Bodemann, 2018; Kish, 2023). Instead, the conclusions of Razumei and Razumei (2021), which suggest prematurely turning to the experience of leading countries and abandoning the paper circulation of documentation, seem premature. Under the current conditions in Ukrainian realities, such initiatives look premature against the background of not only the usual risks proposed in the article, but also due to the armed aggression of the Russian regime.

It is important to understand the limitations of such a methodology. For example, limited availability of data on corporate social responsibility and risk management practices are big issues for further discussions. Another limitation is complexity in measuring corporate social responsibility and the impact of risk management on this metric. The third one is heterogeneity of approaches to defining corporate social responsibility and risk management across different countries and industries. In summary, innovative research methodologies for studying social responsibility in the field of risk management highlighted the intersection of these two areas and offering new perspectives for analysis and evaluation.

Conclusions

During the research analysis, it was determined that innovative approaches in the management of public affairs in Ukraine are key to achieving strategic goals. It has been proven that the development and implementation of innovative mechanisms are of decisive importance for creating a favorable environment for innovation and the implementation of advanced scientific achievements in the activities of public bodies.

These innovative mechanisms operating at different levels – macro-, regional, and micro-levels — contribute to the formulation of the state’s innovation development strategy, the creation of a favorable climate for innovation in the national economy, and the implementation of state innovation projects. It is proven that these mechanisms are important for adaptation to various characteristics of regions at the regional level and are key in the conditions of decentralization of power at the local level, ensuring optimal use of resources and implementation of development projects of united territorial communities.

At the micro level, innovation mechanisms are catalysts for the development of creative thinking, research and successful implementation of innovations, with the active participation of civil society, which emphasizes the importance of their participation in the innovation process.
However, it is important to determine that there are certain limitations on the way to the successful implementation of innovations in the management of public affairs in Ukraine. First of all, this includes the need to overcome administrative bureaucratic obstacles, improve the legal framework and provide financial support for the implementation of innovative projects. In addition, it is important to ensure openness and transparency in management processes, as well as to actively involve citizens in management decisions to ensure greater legitimacy and support for innovation in society. Besides, it is important to appreciate the limitations of the research methodology. For example, limited availability of data on corporate social responsibility and risk management practices are big issues for further discussions. In addition, other limitations of the chosen methodology should also be taken into account. Since the research is based on the analysis of literature, subjectivism is possible in the selected works.

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