Perspectives for improving organizational interaction in the process of developing the field of physical culture and sport

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Keywords
interaction, health-saving, green economy, insurance, sports

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INTRODUCTION

The realization of the subject economic activity of its own mission isolated from other participants in the socioeconomic life under the conditions of the issues complexity and the constant growth of the deficit resources is becoming more and more problematic today. The search for mechanisms for combining the efforts of different process participants who have either joint or individual interests in obtaining a synergistic result is appropriate and necessary in modern conditions. The indicated problem in Ukraine was studied at the general theoretical level, as well as with the aim of improving the organizational interaction in certain spheres of society: economy, education, health care. The theoretical and methodological principles of corporate governance in local self-government are systematically studied in the given context.

The purpose of the author’s research is, for example, to study the organizational conditions of the functioning of some spheres of economic activity (physical culture, sport and tourism, health care, etc.), to characterize the peculiarities of their interaction with other interested structures of the industrial and social sectors of the economy in developing services, introducing health-saving technologies and solving important tasks of socioeconomic development. Their role and place in the process of developing the ‘green economy’, functioning and developing the system of medical insurance, etc. are determined. Through the analysis of literary sources, the theoretical and methodological principles of organizing the organizational interaction are studied and prospective directions and mechanisms using organizational links between the interested parties at different levels of economic activity are outlined. The conditions of rational involvement of specialists in the sphere of services in the process of solving important problems of society under modern conditions have been studied. The conditions, principles and mechanisms of the organizational interaction which can be applied in the process of improving the activities of other spheres of socioeconomic development are systematized. The basis for further studies on the perspectives of the sphere of services development through establishing and improving the organizational interaction between its stakeholders is proposed.

1. THEORETICAL AND METHODOLOGICAL PRINCIPLES OF ESTABLISHING ORGANIZATIONAL INTERACTION IN THE SOCIAL SPHERE

In our opinion, the most meaningful is the interpretation of M.V. Tulienkov, who generally defines the organizational interaction as a “type of social interaction which is a complex and mutually agreed link between the elements of an organizational system and its management structure in their simultaneous and coordinated relationships with the external environment in which it operates” [1]. The stable organizational interaction within the organization itself (the micro level), as well as between interrelated organizations and the environment (macro level), ensures the normal functioning of the social management system as a whole [2]. In the narrow sense, organizational interactions are mutually beneficial (based on the goals, time, place, resources, etc.) to the actors (counterparties, partners or co-executors), among which, as a rule, physical, legal and public officials conduct economic and managerial activity [1].

Establishing an effective interaction between the parties involved in economic activity requires using appropriate approaches that should ensure solving the identified tasks. The widely used corporate partnership, including in the process
of creation and development of social objects, social qualities, processes and relationships in various social spheres [3] can be one of such approaches.

The modern theory of complex systems management considers the social partnership as an effective means of an interaction between different structures in the process of substantiating social innovations, the construction of mutual actions aimed at overcoming the existing problems that hinder the development of the system and for positive changes that involve qualitative development of the system and obtaining the positive effect [4]. With regard to the process of organizational interaction, such an effect is the socially anticipated synergistic effect.

In view of the above, there is a need not only to record and describe socioeconomic relations that have developed in the social sphere, but also to identify those components of the organizational interaction of its subjects which have inherent properties of adaptation to the requirements of the market environment. Affecting these components, it would be possible to ensure the development not only of the social sphere but also of the economy as a whole. Relevant is the search for such forms of interaction which would allow uniting efforts of all subjects of socioeconomic development, including them among the range of persons (stakeholders) who are interested in the results of such interaction [5].

According to the theoretical and methodological basis for conducting the scientific research, we have taken a system-synergistic approach. Regarding the choice of organizational forms of an interaction, a corporative approach based on partnership is suggested. Many scholars view corporatism as a type of social and spiritual organization of a society, as an effective and promising tool that allows consolidating the efforts of people in the social way of organizing social labor [6, 7]. According to N. Bychkova’s definition, “the corporation, as a social and economic system, is an open, capable of self-organization in conditions of uneven pace of developing economic processes, a system of resources and participants of corporate relations that interact with each other in the process of achieving the goal set by implementing the target functions systems” [8]. For a significant period, corporate governance was viewed primarily from the standpoint of economic relations based on equity. Later, it began to be interpreted as a type of social and spiritual organization of individual communities, through which their members become co-owners, are actively involved in management and earn their diverse needs, among which the social ones often come to the fore.

The main potential of corporatism is the ability to consolidate the efforts of people in the societal organization of social labor. In the global community, the corporate way of organizing human life today is seen as a general vector of the social doctrine of developing a society, and the emphasis of the content of corporatism is made on its social component, which is a powerful source of economic development [9]. Corporations have motivation and considerable resource potential for the transition to an innovative type of economic system development that will provide real conditions for boosting economic growth.

Clarifying the form and content of corporate relations which objectively exist in various spheres of social activity, O.Yu. Bobrovska reveals goals, strategies, tasks, functions and methods of organizing social sphere and institutionalizes the mechanisms of their interaction at the level of municipal formations. According to O.Yu. Bobrovska, social partnership is the most common organizational form of corporate relations and corporate governance. In the modern world, social
partnership is one of the most important aspects of organizing a social market economy and one of the essential aspects of partnership between people in the process of production and social life. According to O.Yu. Bobrovska’s definition, “this is a special social institution, on the basis of which a certain type of social relations is implemented, aimed at developing consensus and obtaining a positive result in the process of subjects’ interaction – the partners of this interaction” [6]. Relationships, mutual assistance or competition should be organized so that they can contribute to the desired results and work for a coincidence of interests.

The founders of the theory of social partnership (E. Bernshtein, J.-S.Mil, J.-B. Sey and F. Basta), as well as modern researchers, point to the following basic principles of social partnership: legality, voluntariness, equality of parties, parity of representation, mutual respect, mutual actions, self-restraint in order to achieve common goals, etc. [10, 11]. The experience of countries with a developed market economy shows that social partnership is much more effective than organizational forms based on administrative coercion and even on economic interest. It is based on voluntary relationships, equal rights and direct contacts of all agents (stakeholders), which creates systemic factors for further democratization of society’s development. The result of social partnership should be the realization of their own interests in joint work aimed at creating a common good. Specific actions of social partnership should be based on democratic decision-making procedures, full openness to mutually beneficial cooperation, innovative technologies, and the use of all available resources [6].

In the modern world, social partnership is one of the most important aspects of organizing a social market economy and one of the essential aspects of partnership between people in the process of production and social life. As O.Yu. Bobrovska notes, social partnership involves solving social conflicts not by revolutionary means, but through peaceful negotiations and mutual concessions. In real life, social partnership is an alternative to any dictatorship and a civilized method of solving social conflicts at different levels, that is, by the norms that protect the interests of both parties.

The experience of foreign countries shows that the degree of development of social partnership is positively influenced by a number of factors: a sufficient level of democratizing production management, increasing the living standards of the majority of the population and decreasing the degree of income differentiation, psychological preconditions and cultural traditions in a society. The impact of corporate relations and corporate governance in the social sphere includes constructive social, economic and political dialogues which are supported by the municipal authorities, business entities, their employees, consumers, suppliers, and other participants in the labor, economic, social, organizational and regulatory obligations, with the aim of satisfying social, collective and individual interests. O.Yu. Bobrovska offers to consider such a system of relations in the social sphere of activity and functioning of the social subsystem as the social and corporate partnership. The author also notes that the social corporate partnership does not replace the functions of social sector management bodies, but is intended to supplement them by sharing its social responsibility. It promotes involving a wide range of population and business entities in the management of their own affairs in the social sphere. It tries to create conditions for the transition from single charity to systematic participation in implementing the strategy of social development of municipal formations [4].
Realizing the coordination measures of social and corporate partnership at the level of local self-government requires perfect and progressive organizational and legal forms of their implementation. Among them, the use of cluster links is becoming increasingly popular in various spheres of socioeconomic activity in a society. Many researchers consider the creation of clusters as a progressive, evolving way for the municipality’s development [13].

Since 1990, when M. Porter first proposed the theory of national, regional and local competitiveness and a cluster model of economic activity, a large number of scientists from different fields studied the peculiarities of clusters functioning in those or other spheres. They offered a series of definitions of cluster concepts [14–18].

In our opinion, the most complete with regard to the the social sphere of societal activity is the definition proposed by the researcher O.I. Martyniuk in the sphere of health care, “The network system of organizations and enterprises, specialized suppliers, scientific centers, regional development departments, self-governing public organizations for the purpose of fulfilling a certain mission” [11]. The novelty is the formation of social clusters, which, as O.Yu. Bobrovska mentioned, can be created in any sphere of social direction: education, health care, transport, housing and communal services and other industries. In the form of organization in the service sector, clusters can take the form of associations and coalitions and other entities [14].

As O.S. Bogma emphasizes, after being merged into a cluster, enterprises receive numerous competitive advantages from joint activities and interactions, while maintaining their independence. Communication links are established between them; we can observe rapid spread of innovative technologies, overcoming of isolation of their own internal problems, inertia and conspiracy between rivals, promotion of large investments and specialization of participants, the emergence of synergistic effect. The benefits of uniting into a cluster are not only individual entities, but also other structures that are usually involved in the cluster – authorities, institutions of the scientific and educational sectors, financial structures [13].

O.I. Martyniuk points out the significant advantages of using cluster ties in relations between multi-sectoral enterprises and organizations in the work “Developing interbranch cooperation in the public health care management of the population of Ukraine”. The author stresses that the joint effectiveness of inter-sectoral interaction based on cluster bonds exceeds the overall effectiveness of individual spheres of influence, “the very cluster nature of inter-sectoral interaction in ensuring an acceptable level of public health of the population can be considered the basis of effective reforming of this system” [11, 12]. The specificity of such interaction is a partnership or a common goal, if the interests of the parties do not coincide, organizations can compete with each other, have different strategic objectives, but at certain stages, they can act together and achieve positive results of such activity. In determining the essence of the concept of ‘a cluster’, most researchers point out that the main purpose of the creation and operation of such a voluntary association is to obtain a synergistic effect that exceeds the simple sum of the participants’ results in corporate activities and is an important factor in its growth. In this case, the functionality of the whole system increases, new utility properties appear, and the overall result increases [7].
Thus, it can be argued that the current trends in the management of complex systems require the transition to a new managerial level, based on a system-synergistic approach. The social partnership has proven itself as a progressive organizational form of implementing corporate relations in the social sector of municipal governance. In its turn, the experience of creating such organizational-legal and functional forms as a cluster in the form of associations, coalitions, citizens’ organizations, etc. can become effective in the practice in the management of social sphere to establish organizational interaction between all parties (stakeholders).

2. POSSIBILITIES OF PRACTICAL APPLICATION OF ORGANIZATIONAL INTERACTION IN SEPARATE SOCIAL SPHERES

2.1. THE ROLE AND PLACE OF THE TOURISM INDUSTRY IN THE CONTEXT OF THE DEVELOPMENT OF ‘GREEN ECONOMY’ IN UKRAINE

In the process of implementing the United Nations’ Environment Program (UNEP), in further developing the concept of sustainable development, experts from various fields have substantiated the need for the launch of the Global Green New Deal (GSNK). In this context, a number of measures have also been implemented in Ukraine: a number of documents and agreements aimed at the official recognition of our state of sustainable development strategies have been approved: the National Commission of Ukraine on Sustainable Development has been established, the Millennium Development Goals have been developed, the Concept and Strategy of Ukraine on National Environmental Policy until 2020 have been approved, etc. Green economy, according to the UNEP report, is “a low carbon economy that effectively utilizes resources and is in the best interests of society as a whole” [19]. The concept of ‘green economy’ in scientific research is regarded as “an integral part of sustainable development, which is intended to provide a harmonious way to combine the economic and social activities of a society, provided that the environment is preserved and properly reproduced” [20, 21]. The society faced the need for the introduction of so-called ‘clean’ technologies that would allow producing environmentally friendly products, and would minimize, neutralize or anticipate the negative impact of production on the environment [22].

Taking into account the extraordinary multi-vectority of the proposed problem and the need for its systematic comprehension, we see the actual defining of the place and the role of individual subjects of socio-economic activity in the process of ‘greening’ the economy, including those represented by spheres of physical culture and tourism. Taking into account the coherence and interdependence of the economic, social and environmental trends in developing green economy in Ukraine, the results of the study will help to solve the urgent problems of the country’s socio-economic development.

According to scientists, the ‘green’ economy combines ten key sectors of economic activity: agriculture, housing and communal services, energy, fishery, forestry, industry, transport, waste management and recycling, water management and tourism [23]. In our opinion, the detailed analysis of such organizational connections should complement previous scientists’ research, determine the role and consolidate the place of the tourism industry and the fields of physical culture and sport in the process of developing ‘green’ economy in Ukraine at present.
The fields of physical culture, sport and tourism are open systems, since the function is assigned to them from the outside, and since the role that these systems perform is shown in relation to other subjects and economy as a whole [24]. They need constant exchange of resources with the surrounding environment. This proves that the problem is rather wide-screen and requires further research. Currently, Ukraine is integrating the areas of physical culture and tourism into the market environment. This objectively leads to the emergence of new qualitative processes and phenomena. There are significant changes in the system of socioeconomic relations, and new forms of ownership and forms of management are established, which actively influences the behavior of all participants in this process.

The role of the state should be to increase the level of interest of the business in improving the population’s health, but business should also take active part in it. The authors are unanimous in that the use of market mechanisms is recommended to be combined with the state and international regulation of economic processes [19]. Improving the environmental situation ceases to be a line in the expenditure of the state budget, but becomes the very essence of the new economic system. That is, the state must form new economic conditions for doing business that attract investments in developing new ‘green’ industries and the ecological transformation (‘greening’) of the traditional economy.

According to L.P. Marchuk, the development of the ‘green’ business, which becomes the embodiment of public and private interests and a manifestation of modern responsibility for the future of human civilization, can be regarded as an important form of realizing the tasks set [22]. Yu.O. Shevchenko has shown that in today’s scientific works insufficient attention is paid to the study of the role of ‘green’ economy in developing certain sectors of economy, in particular in the development of services, which, in fact, includes physical culture, sport and tourism. Instead, these areas, and especially their active forms, can play an important role in creating green technologies, their dissemination, in creating new jobs, in shaping the people’s ecological consciousness. On the other hand, according to the author, their development depends on the purity of the environment, and some sectors of the services themselves can cause contamination of the ecosystem [25].

Therefore, to our mind, the solution of the problem of transport services for the population and the reduction of environmental pollution caused by the work of public transport and a large number of private cars will contribute to developing cycling tourism. Participation in the development of appropriate programs, infrastructure planning, educational programs and methodological support of population’s different groups on the use of active forms of movement should be taken with the all interested entities’ participation.

According to V.F Kyfiak and O.V. Kyfiak, “ecologically responsible tourism is one of the new poles of growth in green economy providing the development of modern infrastructure, business opportunities, jobs and income generation” [26]. Recently, developing active forms of tourism which are becoming more popular among holidaymakers and attractive to entrepreneurs is of particular importance. These include hiking, horse riding, cycling, kayaking, fishing and hunting. These outdoor activities facilitate familiarization with the rural way of life and local culture, while contributing to the solving problem of employment in rural areas, increasing revenues of local budgets, and preserving traditions.
Consequently, the ‘green’ economy which develops on such bases should create conditions for strengthening and preserving the population’s health, increasing its economic prosperity, spiritual and social development. All the foregoing demonstrates the need for forming a fundamentally new direction of research that will serve as a theoretical and methodological basis for using the tourism industry in close cooperation with other areas of society as a whole contribute to developing natural resources and the socioeconomic potential of our country.

### 2.2. THE ROLE AND PLACE OF PHYSICAL CULTURE AND SPORT IN THE PROCESS OF DEVELOPING THE HEALTH INSURANCE SYSTEM

According to the overwhelming number of authors, today the concept of medical insurance in the society is considered in a somewhat narrowed meaning, and this does not contribute to the disclosure of the essence of social insurance to the fullest and its true understanding. Medical insurance is defined as a system of economic relations between the participants in the creation of monetary funds, intended to provide insurance protection of property citizens’ interests associated with the loss of health [27].

The peculiarity of the complete social sphere of economy is that a person with the needs and interests of which the level and quality of satisfaction in the rest have an impact on developing the economy and on the level of well-being of the population of the country should become the center of attention. Undoubtedly, this also applies to its components, such as social and health insurance, as well as to such an important sphere as physical culture and sport, the importance of which in the process of preserving and strengthening health remains undervalued.

Increasing public and private healthcare costs due to the emergence of new expensive medical and pharmaceutical technologies, increasing the people’s attention to their own health, and a growing proportion of older people in society are global trends [28]. The same trends are typical of Ukraine, but there are significant differences. If in the most developed countries there is a rising life expectancy, the transfer of the interests of modern medicine from clinical to predominantly preventive forms of health preservation, then in Ukraine it is too early to talk about such positive changes.

Negative trends include: an unfavorable economic situation, tough and unfair competition in the market of medical goods and services, high unemployment, the population’s low solvency, imperfect legislation, lack of coordination of economic interests of the pharmaceutical market, a significant proportion of insurance companies in the market and creating a situation that does not correspond to the level of the population’s solvency, personnel’s low professionalism, etc. There is an increase in the deficit of the budget system and the expansion of other channels of resources receipt, which is dominated by the population’s money [29]. It became clear that under-financing these costs today could lead to their repeated exaggeration in the nearest future [30]. In today’s conditions, representatives of the low-income groups of the population are the most affected by these factors. There is a significant inequality of the opportunities of different social groups in obtaining quality services aimed at maintaining health [28].

However, in Ukraine there are new circumstances that aggravated the need for reform not only of the health care system, but also of the activities of
those sectors of economy that directly or indirectly affect the efficiency of its operation. Among them, the sphere of physical culture and sport has an important place. Today there is a development of an objective need for health insurance that can raise the level of public health protection, provide revenues to the social sector [26]. The subjects of the sphere of physical culture and sport can and should thus play an important role, because using a regular dosage of motor activity is today a universally accessible and effective means of preserving and strengthening health, recognized in most developed countries, and that this does not fully used in our country.

Particular attention is needed to study the financial security of the health insurance system. Funds are distributed centrally in accordance with existing facilities of health care facilities without considering the volume and quality of provided services. Financial resources are mainly used to support an excessive bed hospital of inpatient health care facilities instead of developing preventive work [27]. By directing funds to the centralized social insurance fund, enterprises, organizations, representatives of small and medium-sized businesses, and citizens lose their economic interest in improving working conditions in the field, introducing measures aimed at preserving and strengthening employees’ health, organizing and using physical culture and sport, etc. We believe that if the share of compulsory social contributions to centralized funds is reduced and they are left at the disposal of enterprises and organizations without changing their intended purpose, we could talk about increasing the efficiency of their use, and most importantly – raising the level of motivation of all interested persons in preserving and improving the health of hired workers and other groups of the population.

Medical insurance should become not only an instrument for profits redistribution, but also a means of accumulating own funds of insured persons. According to T.V. Pedchenko, from the financial point of view, it is the investment of resources, their accumulation, transformation into capital, income generation and return in the form of money or services in the future due to social risks. It is very important to prevent at the same time the flow of insurance premiums to citizens in favor of only medical institutions, insurance and pharmaceutical companies, which can take place in conditions of non-professional organizational and managerial actions. In this case, all efforts to improve the state of affairs in this area will be undone; public interests will be compelled to give way to the commercial interests of individual subjects. As noted above, all efforts of the participants should be aimed at preventing the morbidity and taking into account the economic and social interests of all concerned.

In T.I. Stetsyuk’s opinion, the priority direction of reducing prices for insurance services and stabilizing the trends in the level of payments is, by insurance companies, financing preventive measures aimed at reducing insurance cases, including those services produced by the sphere of physical culture and sport. Warning actions can thus play an important role in strengthening the financial basis for voluntary health insurance. Conducting preventive measures will improve the indicators of the loss-making health insurance for insurance companies, and therefore, reduce the price of such insurance and make it more accessible to the general population [29, 30].

The interrelations between insurance companies and medical institutions in the absence of proper state regulation lead to distortions in the system development. The state should be liable for the management of social risks
[31, 32]. It must ensure that the rights of all participants in the process are clearly observed, in particular through its effective regulatory and financial support for the new budget health insurance model of public health [33].

According to P. Sorokin, the economic factor exerts a significant influence on the ability of society to develop a spiritual culture: science, art, education, etc. From the standpoint of an ordinary citizen, being healthy and preventing a disease should be an economic priority. Only on the basis of reconciliation of economic interests of the medical insurance subjects, is it possible to achieve the effective functioning of this system [29]. Only by reconciling the economic interests of the health insurance providers, can the effective functioning of this system be achieved. The state must guarantee financing the most important social programs and observing their participants’ rights.

The study of conditions for establishing effective organizational interaction in the system of medical insurance and participation of subjects of the sphere of physical education and sport and other stakeholders, developing the economic-legal model of such interaction and scientific and methodological principles of its implementation should be the basis for further research.

Among those declared in the state regulation of health care, the priority of preventive measures in the health care and health insurance of the population should be the main principle. The key to the practical implementing the preventive function of insurance should be the insurer’s participation in financing preventive measures, including the use of physical culture and sport. Only by harmonizing the economic interests of all subjects of health insurance, can it be possible to achieve the effective functioning of this system.

CONCLUSIONS

1. Problems that impede developing the service sector require a comprehensive solution by establishing the interaction of all entities of the system, which directly or indirectly affect the effectiveness of its functioning.

2. As shown by the analysis of the authors who studied the problems of establishing an organizational interaction, solving the existing problems of the social sphere requires the use of new technologies for the organization of interaction between the stakeholders involved in its composition.

3. Today application of system-synergistic, corporate and cluster approaches is the most promising in the process of searching for the best methods of organizing the interaction.

4. Among the forms of interaction that can be tested in the practice of the sports system for all, one should highlight citizens’ associations, coalitions and organization.

5. The realization of the goal which concerns the subjects of interaction is possible to the following basic principles as the priority of common goals, independence, social responsibility, equality, legality, participants’ own interests, etc.
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