



Competent role of anti-crisis management in the development of economy in the Republic of Kazakhstan

Papel competente de la gestión anticrisis en el desarrollo de la economía en la República de Kazajstán

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ABSTRACT:

This paper covers a range of issues regarding competent model of anti-crisis management as a factor to build up professional skills at governmental structures. Practical value is attributed to the importance of study and development of anti-crisis management competence of state structures, incorporating management system of special knowledge about methods and technologies of effective management, with application of appropriate managerial skills and experience. Practical worthiness of the model is in the ability of the state structures to develop anti-crisis management methods coupled with identification of communicative competence approaches, as an indicator of professionalism of specialists in state structures of Kazakhstan.

Keywords: anti-crisis management, market mechanism, state regulation, state structures, methods, strategy.

RESUMEN:

Este documento abarca una serie de cuestiones relacionadas con el modelo competente de gestión anticrisis como factor para desarrollar habilidades profesionales en las estructuras gubernamentales. El valor práctico se atribuye a la importancia del estudio y desarrollo de la competencia de gestión anticrisis de las estructuras estatales, incorporando el sistema de gestión de conocimientos especiales sobre métodos y tecnologías de gestión efectiva, con aplicación de habilidades y experiencia gerenciales apropiadas. El mérito práctico del modelo está en la capacidad de las estructuras estatales para desarrollar métodos de gestión anticrisis, junto con la identificación de enfoques de competencia comunicativa, como indicador de profesionalidad de especialistas en estructuras estatales de Kazajstán.

Palabras clave: gestión anticrisis, mecanismo de mercado, regulación estatal, estructuras estatales, métodos, estrategia.

1. Introduction

Agricultural structures aimed at meeting public needs and related processes experience an impact of factors determining professional crisis in staff of agricultural enterprises (Kaldiyarov, Sharipov and Bedelbayeva 2014).

One of the circumstances that makes the subject of this study burning is the dominance of negative feedback from community members in terms of activities by state structures, which are reflected in further disappointing results in employee's performance. For government agencies, image is an important functional and status value. Other than this, it is an indicator of trust level and a measure of the efficiency of management activities carried out in accordance with reforms in state institutions, fixing the degree of conformity of employees' actions with requirements and expectations of particular social groups and national economy. Consequently, the competence of anti-crisis management largely determines the attitude of society towards government officials, it also determines the degree of perception of activities of representatives of government officials and restructuring programmes.

2. Methods of research

Fundamental provisions of the economic theory, modern theoretical concepts and practical works of the leading domestic and foreign economists on problems of crisis management in a regional economy have formed a theoretical and methodological basis of this research. Based on the purpose of the study a set of research methods was applied, including theoretical and methodological literature review, generalization and interpretation of scientific data available on Management Sciences.

3. Results of research

The conducted study and experience of countries with developed market economies suggest that in the establishment of market-oriented economy and its effective functioning assurance, the focal point belongs to the state.

Market mechanism as a regulator of the proportions of social production, in accordance with the ever-changing demand and supply, includes only a relatively narrow segment of social relations, where multiple social, economic, intergovernmental and other relations remain unexplored. Market has a significant impact on these areas, but is unable to completely adjust them, so this function is accomplished by the state via governmental officials.

This would be true to admit that the development of market relations presupposes the necessity to refuse from direct state interference in activities of market players. This refusal, of course, does not mean that government agencies will have no impact on economy. But with reference to present realities, the reduction of government power in regulation of economic affairs would pose a termination of the state economic mechanism of preservation of material and monetary values, which once was considered as a part of the centralized management economy (Didenko, Magidenko and Mogorite 2008).

Today in Kazakhstan, government officials belong to the ruling elite, which in turn consists of economic, military, bureaucratic, ideological, and political elites. In other words, government officials of the Republic of Kazakhstan are a certain group of society, which has state power and, moreover, is responsible for development of the strategic planning of the entire system. Having such power, every official should strive to acquire such qualities, as professionalism, competence, communication culture and justice as well.

State efforts should be focused on acquiring ways to maximize the potential of professionally competent management, scientific-technical and production potential, and preservation of human resources, ensuring a wide social support to the national reforms. The most considerable issue of the development is the interaction between the state and the market. It is

not a question of whether to intervene or not to intervene in the affairs of the economy. Global experience confirms that a market of competing sellers is the best approach to effective organization of production and distribution of goods and services. However, the market itself fails to evolve in a vacuum, it needs some legal and regulatory framework. Such a framework forms the state, defending and protecting property rights, creating legal and other regulatory systems and, additionally, facilitating effective business practices (Garskaite-Milvydiene 2014).

It was not without a reason that in the President message to Kazakhstan's people "Kazakhstan — 2030" the Head of state Nursultan Nazarbayev writes that "an official of the new generation is a servant of the nation with patriotic feeling and fair nature, committed to his work and a professional one. The creation and support of high reputation of government service is our strategic goal, which we are obliged to tackle in upcoming years".

The process of state governance is a mix of conscious and purposeful activities associated with implementation of state power through public authorities and regulated by legal norms. In the process of public administration, a set of actions is fulfilled leading to particular dynamics of management results. The study of socioeconomic environment implemented in public administration requires identification of its interaction. In relation to modern Kazakhstan, two conflicting trends are present. The first involves reduction of policy directions, the transformation of the state into one of the parties of regulation for public processes. The second trend manifests in the expansion and increase in complexity of tasks of the state for the creation market infrastructure; the introduction of new laws and regulations, social and economic relations; the necessity to regulate the formation of different forms of ownership and their relationships. Therefore, we cannot accept calls to lower state control, as this may lead to increased uncontrollability of the economy.

So, in a society where there is no effective and competent public anti-crisis management, economic crisis is stepping, having detrimental impact on economic security of the country.

4. Discussion

Based on best international and domestic practices, it is hard not to witness that a decisive role in the economic crisis in Kazakhstan has been played by the blunders and errors in the decision-making in the course of actions for economic transformation. This led to the formation of the disincentive mechanism of anti-crisis economic activities and destabilization of the financial situation of the population. An important condition in this process is the establishment of mechanisms for solution of social problems, maintenance of economic stability, orientation to legal protection and socialization of economic activities (Meiste and Jakstiene 2015).

The approach of Kazakhstani scientists and practitioners to the issue of state intervention in the economy has undergone significant changes in recent years. At the first stage associated with liberalization and privatization the market had to be self-regulated, later on, the policy had been adjusted with the aim of establishing some elements of the government's anti-crisis management. The scale and choice of methods for anti-crisis management of national economy are influenced by various factors that determine the extent and ways of competent state anti-crisis management of the economy, which include: denationalization and privatization, formation of a mixed structure, dismantling the system of planned management policy and abandonment of direct state intervention in activity of the enterprises, communication with public.

However, although reform in the Republic has been prolonged for over twenty years, self-regulation mechanism created as a result is still not fully understood and applied *in loco*. The reasons are not only in complexity, but also in failures of proper work in the original concept of reforms, including schemes of macro and micro-regulation predominantly through the application of tools of monetary, financial-credit and tax policies (Mogorite and Magidenko 2012).

This is confirmed by several negative trends (frequent rotation of state officials, corruption in certain structures, formal approach of local authorities to carry out a strategy, etc.) taking place in management of state structures and incorrect predictions about the possibility of stabilization of Kazakhstan's economy. Therefore, it is hard not to agree with the opinion of many scholars and practitioners who believe that the state should not weaken its role in identifying competent professionals for the possibility of implementing crisis management plans and programmes. Consequently, the formation of a new system of institutions and mechanisms of state anti-crisis regulation should be the basis of the strategy of reforms that will make sure the implementation of medium and long-term development governance of the Republic of Kazakhstan.

Functions and competence of public anti-crisis management are clearly identified by practical implementation in developed countries. As the analysis of international experience shows, the government is intended to ensure: consistency at all hierarchical levels; balance of development and restructuring of social reproduction; inclusion of domestic economy into international labor division; development of national production management, improvement of its quality and use; quality control of products and prices; active and targeted credit, monetary and tax policies; provision by commercial structures of information for long-term and medium-term planning for socio-economic development of the country and its regions. The above-mentioned demonstrates that state realizes its functions on anti-crisis management of national economy, carrying out multi-purpose and multi-directional activities. Therefore, we need a well-structured system of state measures which forms state macroeconomic policy including the following main components: institutional, structural, investment, industrial, financial and social. Thus, due to a combination of different methods and forms, a state actually acts as a "brain trust" in modern market economy, which ensures dynamics and sustainability of economic growth and prosperity (Paraskev 2006).

The problem of further improvement of anti-crisis management of economy and market regulation is fundamental in economic science. At present stage, it is particularly urgent in connection with some large gaps in professional competence management of the national economy.

The evaluation of both professional competence and level of professionalism in government officials is influenced by the number of factors, such as:

- specific nature of work in the field of government service;*
- presence/absence of a unified system of evaluation criteria of government officials;*
- status and prestige of public service in society in a specific period of development of the state;*
- policy and regime in a country, level of support from population (Sakalas and Virbickaite 2011).*

The most valuable resource for professionalism of a government official is his or her capabilities, namely psychological well-being which ensures successful commitments.

At present stage, among the most important professional skills of government officials necessary for the efficient functioning of state authority and local self-government are the following: developed moral-oriented intellectual abilities, including intelligence, manifested in speed and efficiency of thinking, shrewdness, intuition; continuous development and education, including continuous development of professional abilities, qualifications; ability to determine strategic goals of industries (analytical skills); implementation of activities to improve efficiency of local government; ability to effectively communicate with people in a convincing way, to lead people, ability to make clear and understandable verbal presentations, etc. (communication skills); rapid response to changes in both objective and subjective ways; ability to manage behavior in terms of stress, which is regarded as volitional, intellectual and emotional resistance to environmental influences; ability to implement relevant decisions (managerial

skills); promotion of health and fitness; high efficiency and competitiveness (Oliveira 2013).

The role of government officials' competence in combating economic crises is pivotal for the following reasons:

necessity to support the operation by enhancing the role of the legal system, subsidizing of the priority sectors, elimination of the imbalance in regional production;

alignment of the various segments of population and their capabilities in the use of social benefits on the basis of establishment of certain guarantees by the state;

high level of depreciation of key assets and increased intensity of use;

absence of government support for industries may result in a complete loss of cutting-edge innovations, unique facilities, scientific schools and good quality employees;

in crises, strict regulation is of great importance with regard to price policy of monopoly enterprises and implementing innovations in priority sectors;

with a purpose to become competitive, on the one hand, and to control governmental resource, on the other hand, it determines the relevance of the mechanism to unite these areas upon efficient redistribution of resources (Hale, Dulek and Hale 2005).

When building state strategy of national economy anti-crisis management, the following principles become crucial: interdependence, adequacy, goal setting, progressive motivation, prospects and effectiveness based on criteria of social and economic efficiency, social and economic responsibility for decisions and their implementation, comprehensiveness and consistency, professional competence, commitment to good quality legal regulation. The main and important factor of manifesting the government officials' competence remains their communicative competence able to identify and focus on effective decision-making and interaction within a particular environment.

Above all general principles of communication competence of government officials, it is necessary to take into account the specific features that meet current conditions of functioning of the national economy. These specific principles should include the compliance of the contents, forms and methods of anti-crisis management with the nature of current economic changes, compliance of organizational units of public administration with the goals on implementation of industrial, investment, innovation, financial and social policies.

This approach should be based on the priority of economic security, focus on domestic sources of growth, government stimulation of economic growth, bridging the gap between financial and real sectors of economy, and social orientation of national strategy of anti-crisis management and economic reforms to the communication and interaction of external and internal factors.

The principle of professionalism and competence of government officials is characterized by the following common characteristics: competence of civil servants — their professional knowledge, availability of necessary professional and educational skills, learning and development of best practices; systematic qualified performing of various operations by employees, decision-making, stability of service relationships, a sense of professional stability, benefits and quality of work performed; turnover of staff, which ensures dynamics in public service, inflow of new ideas, improved management practices, wider communication with the public, prevention of stagnation, conservatism, bureaucracy, reducing the sense of responsibility; combination of rotation of management staff and stability of qualified, conscientious, motivated employees, and their timely promotions or moving to other important sectors of administrative activity based on willingness, skills and experience; combination in the governmental apparatus of young professionals and state officials transferring their experience and skills.

The tenet of performance in terms of professionalism in anti-crisis management policies with reference to social and economic criteria is that in case of the first, the expenses for strategy of anti-crisis management correlate with public welfare obtained, and in the second case, - correlate with the integrated economic effect (Oliveira 2013).

The principle of comprehensiveness and consistency of the strategy of professional anti-crisis management is reflected in the relationship among goals, functions, methods of anti-crisis management, ensuring the correct orientation of elements of anti-crisis management system; and in uniform acts by the legislative and executive authorities in the use of common criteria for evaluating effectiveness of a certain strategy of anti-crisis management. The implementation of such a principle as professionalism implies a competitive system to attract crisis management actors, training system and its improvement, elimination of corruption in staff employment and assessment of qualifications. The principle of social and economic responsibility should be reflected in the system of law with no pure declaration but with elaboration of accountability mechanism.

Accounting for the principles of professionalism in economic policies will allow creating conditions for more efficient development of market relations, since these principles, in general, are the global positive experience in a developed market infrastructure. The main directions of state anti-crisis management of national economy must include:

- formation and strengthening of public sector;
- growing governmental support for priority agricultural products;
- governmental support and stimulation of innovation process;
- governmental regulation of trade, labor, financial, and informational processes;
- governmental regulation of foreign economic processes;
- governmental crisis management at regional level.

Regarding the increasing role of government in the economy, we proceed from contemporary specific conditions and institutions in Kazakhstan. The basis of life of any society lies in economic needs and their satisfaction, therefore, the most important task for the government is to scientifically substantiate these needs and link them with available and possible future resources, and, moreover, to create a mechanism of professional regulation in economic relations, which would ensure sustained economic and effective use of these resources (Hale, Dulek and Hale 2005).

Forms and methods of anti-crisis management for the government in a professional way are inextricably linked with economic interests of various sectors involved in the production of goods and services as well as their sale. Economic role of the state is very large and multi-faceted and it is manifested in respective competence-related functions. The first group of functions provides and sustains market system, while the second is connected with enforcement of market system and modification of its functions.

The basis for the implementation of the functions outlined above is the public sector, which refers to the set of forms and methods of direct state involvement in production, distribution and exchange.

As already mentioned, the most important function of anti-crisis management is regulation. The search for new forms and methods of state regulation in the conditions of transformation of social-economic structure is based primarily on understanding the process itself, since it represents mixed economy in social and technological sense, and redistribution of powers to regulate the circulation of resources between national and regional authorities. At the present stage of socio-economic development of the country, the improvement of its forms and methods is crucial for our Republic.

The involvement of government in economy occurs through legally-administrative and economic regulations, in other words, through competence-based approaches. Based on this, all methods of government rules and regulations, despite their variety, are grouped into: administrative regulation; direct economic regulation; indirect economic regulation. This classification is based on the global practice.

The first group refers to a variety of measures of control over income, prices, quotas, licensing, etc. These approaches are close to administrative (competence), since they are not based on economic revenue, but put central the power of law and legislation. To the second, we can refer a range of forms of irrevocable targeted competent financing in the form of subsidies, allowances, surcharges from special budgetary and extra-budgetary funds and soft loans. Interlinking the interests of different levels and bodies of regulation, these methods will contribute to the alignment of their financial situation, protect most vulnerable sectors and population groups, provide achievement of the objectives of economic development. At the same time, they build up the structure of prices and costs, and the real competitiveness of individual sectors of the economy. The third group of methods of state regulation includes policy in credit-financial field, monetary, foreign economic relations, tax system, depreciating property, etc. The government with the use of economic interests and incentives affects economic behavior of economic entities. Thus, indirect methods of state regulation influence both production and consumption indirectly (Ki, and Brown, 2013).

The application of a range of methods in government regulation does not suppose replacement of market relations by administrative relations, as in national economy there is a specific "entity-government" which has a purpose to solve economic and competent functions in certain ways.

The regulation activity in Kazakhstan has some core functions:

compilation of macroeconomic forecast plans. Their purpose is to identify main guidelines related to scale, proportions and final goals of national economic development. It identifies main problems to be faced in the implementation of these plans;

shaping the decisions that directly affect the structure of economy. It is primarily the distribution of centralized investments, and other state-controlled resources, placement of government orders, development of programs of curtailing of inefficient sectors and industries, and settlement of emerging social problems, the creation in a particular region of favorable climate for attracting investments by investing public funds in infrastructure development. These decisions must be of binding character and be formalized in the form of legislative, normative acts and regulations;

development of a system of competence regulators for carrying out processes outside the sphere of direct government control. These regulators are designed to maintain stable economic growth and include taxes, subsidies, principles and methods of pricing, customs regulations, etc. A large role in the market economy belongs to monetary policy, ensuring the stability of currency and balance of external payments (Petru 2013).

Surely, the balance between these forms of "professionally-competent" government may vary depending on the economic environment. Hence, in an effort to establish an efficient system of government control over economy across Kazakhstan in conditions of economic reforms, it is important to rely on both previous knowledge and abilities in conjunction with best international practices.

It is worth mentioning that government regulation should be realized at diverse hierarchy levels. At the same time, in various sectors and spheres of the national economy, the system and methods of regulation and the role of various regulators can vary significantly. Assessment of current economic situation and the existing role of the government in our very specific conditions gives a reason to believe that government involvement in economic activities is not always effective. Therefore, the improvement of state anti-crisis management at this stage should be based on strengthening state influence on the economy through effective implementation of the government's strategy.

A range of anti-crisis measures would allow increasing the efficiency of professionalism in government regulation of the national economy. Among these we specify the following main

ones:

creation of a system for identifying and justifying social needs in close conjunction with their most efficient resources, i.e., a system of goal setting and its implementation via the mechanism of interaction between the state and market regulation of economy;

inter-sectoral balance of national economy development, which should be the practical task of strategic planning, anti-crisis management, and a guide to the choice of sectoral priorities by the criterion of economic efficiency;

investment support for manufacturing should be the main function of the financial market cash flows;

focused and proactive legal regulation of economic activities.

It is necessary to return to the practice of adopting long-term socio-economic and large-scale targeted scientific and technical programs and to achieve their implementation in accordance with the tasks set in them. This criterion of the suitability of these programs should be their social significance. Such programs should be very straightforward and understandable to all citizens in terms of an ultimate goal, timeframe, persons in charge, tools, staff and legal support, and most importantly, they should not decrease the level and quality of life, but have remarkable outcomes. Implementation of programs should not be based only on the "administrative – command" methods or situations of crisis. Under each program, it is necessary to create mechanisms, incentives and conditions that encourage investors and entrepreneurs to concentrate forces and resources on the production of socially important goods and services, which will mean turning the economy and reforms towards the individual.

Thus, the peculiarity of current state of economic stability in the Republic lies in activation of the process of state competent anti-crisis management under the conditions of destabilization of the domestic market, structural and social changes (Taneja, Pryor, Sewell and Recuero 2014).

This issue is still burning for the Kazakhstan economy. It is closely interrelated not only with the economy, but is the form of culture and civilization interaction.

The study of the competencies of anti-crisis management in Kazakhstan and abroad reveals certain constants of different situations:

- presence of subjects of market relations, competitors, and stakeholders;
- economic and social situation stipulated by the strategic development of the company;
- proper functioning of the legislative and executive systems regulated by the state and other subjects of power.

The urgent task for now is to establish methodological tools for diagnosis of competence of anti-crisis management, which will allow assessing and developing the capacities of the government officials. The most important tool for working with government officials is the evaluation of staff, with its help the selection, competition, management of professional and official career of an employee, creation of a motivational environment is carried out. Evaluation of the definition of professionalism, taking into account competencies, is as follows: ethical and intercultural competence + social competence + communicative competence + preventive competencies, comparison of previous knowledge with what can act as a standard or ideal (learnt, experienced or represented by a person).

The ordering of the relationships of the above elements in the interests of the social welfare can be considered the strategic goal of the competent anti-crisis management, developing economic, cultural and educational potential of the country.

5. Conclusion

Results of the study have shown that there is a need for the conceptualization of the information and communication competence of the individual as an indicator of qualification level of a government official contributing to the application of possible methods of anti-crisis management in strategic development of the country's economy. The analysis revealed that one of the fundamental principles of organization and functioning of public service is the principle of competence, which affects the image of government officials and the strategy of his or her commitments. The article also recommended the application of an evaluation formula for determining professionalism and competence of government officials.

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