

Corporate Structures Development: Performance Evaluation, Technology, Innovations



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Abstract: *The article attempts to present a scientifically based system of problems and groups of problems, resolution of which will contribute to the development of corporate structures and the growth of the positive influence of corporate structures on the development of Russian regions. Based on a comprehensive comparative analysis, the main conceptual framework of the development of corporate structures is revealed. Original classification schemes are built, which unite groups of problems of a certain category according to specific features. The importance of the undertaken systematization is shown both for the development of corporate structures and regional economic systems. The discussion demonstrates the logic of problem formation and problem grouping. Suggestions and recommendations are made to resolve some of the most urgent problems. A conclusion is made about the need to develop the methodological foundations of research on the problem field in the sphere of mutual influence of the corporate sector of the economy and regional economic systems.*

Index Terms: *corporate structure, regional economic system, region, corporation, economic growth.*

I. INTRODUCTION

The economic growth of any Russian region is inherently linked to important factors of the external environment of direct and indirect impact, such as the state of the economy, political sphere, technology and innovation. The level of development is affected by production growth, infrastructure development and increase in entrepreneurial activity, which should be aimed at the improvement of people's quality of life, ensuring the steady development of socio-economic systems, resource saturation of all participants of the regional market, as well as the growth of regional GDP. The socio-economic development of a region largely depends on the effective functioning of various economic agents.

In the context of this research, of particular interest are corporate structures. Despite the change in the norms of corporate law related to the assignment of organizations to corporations, a traditional approach to their authorization is still used in practice:

- unification of several firms into a single holding allowing to centralize the management system and minimize costs;
- city-forming feature possessed by corporate structures;

–significant influence of corporations on the level of regional income, etc.

We believe that in modern conditions, corporations should play a special role in enhancing investment attractiveness and living standards of territories. However, the influence of corporate structure on regional development may be both positive and negative.

In our opinion, the following can be attributed to positive influence:

- relief of budgetary pressure;
- increase in the region's investment attractiveness;
- transformation of the business climate in order to turn it into a mechanism of operative and effective communication between the authorities and the regional business community;
- creation of new jobs and, consequently, mitigation of the unemployment problem in the region;
- development of the infrastructure of a specific area, etc.

Positive trends associated with the development of corporate structures are observed in the regional social sphere, especially due to the application of the corporate social responsibility principle. For example, the provision of social support by corporate structures improves the region's financial status and ensures its social stability, helping to solve a number of social problems. To continue the aforementioned trends, in our opinion, it is necessary to prevent all negative trends that lead to stagnation, impeding the development of both the corporate structure and the region.

II. PROPOSED METHODOLOGY

A. General Description

The use of analysis and synthesis, which involves examination of socio-economic systems and phenomena both in general and specifically, in conjunction with the systematic and comprehensive approaches, allowed us to develop a general idea of scientific problems associated with corporate activity and to assess the influence of this activity on the development of regional economic systems. At the same time, we adhere to the classic understanding of group of problems as a circle of problems, as well as the understanding of problem as a complex theoretical and practical issue that needs to be studied, a contradictory situation presented in the form of opposing positions in the explanation of phenomena, objects and processes and requiring adequate resolution. The analysis of commonly accepted scientific and practical approaches to the content of the "corporation" concept allowed us to reveal some differences in opinions concerning its common and specific features.

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In our opinion, T.V. Kashanina was able to find the most adequate approach to the modern essence of the corporation, proposing its understand as a collective association, an organization recognized as a legal entity and based on the unification of capital (voluntary contribution), which carries out social-ly significant activity [1].

A signification clarification of the definition was suggested by V.N. Petukhov. The researcher believes that corporation is not only an association of persons and capitals but also an association that “includes other forms of commercial association (holding companies, financial-industrial groups, etc.)” [2].

According to S.G. Ilyin, who formulated the definition of a corporation functioning within the regional system, which is valuable for the purposes of our research, “corporation is an economic entity formed by several legal entities, joint-stock company or group of companies that is a sub-system of a regional economic system capable of affecting the regional economic development and related to other economic entities by property relations, joint business, common goals, interests and organizational structure” [3].

We analyzed a number of concepts proposed by other authors and determined that they vary the same features.

B. Algorithm

Summarizing all variants of the corporation concept developed by the aforementioned and some other researchers from legal, financial and economic perspectives, we can highlight the following essential features of a corporation:

- association of a group of companies, public groups, persons or just a large organization;
- unification of capital;
- profit maximization;
- coordination and approval of organizational and economic relations within a company or an association of companies through the creation of a special management body vested with certain authorities and rights;
- status of a legal entity, the legality of actions, etc.

As to the content and volume of the current concept of the regional economic system formed in Russian practice, it is expressed in a number of original approaches considering not only domestic but al-so international experience.

The analysis shows that in these approaches, an understanding of the regional economic system prevails as a complex interaction of necessary elements of the economic system, namely companies, enterprises, societies, businesses and corporate structures within the framework of the region. The empirical concept is elaborated based on the conclusions on the importance of the regional economic system viewed through the prism of the economic system concept. In our opinion, the concept of regional eco-nomic system can be defined most precisely based on the assertion of R. Stuart and P. Gregory that “eco-nomic system is a combination of mechanisms and institutes aimed to make and implement decisions related to production, income, consumption in certain geographic areas” [4]. In addition, Russian researches A.I. Borodin and N. N. Kiselev point to the importance of a regional economic system as a system with certain spatial dimensions that is one of the most complex territorial systems [5]. It follows that a regional economic system can be presented as a mechanism operating within a formed region,

which is understood as a territorial unit of the state; in Russia – as the general name of the entity of the Russian Federation. It is significant that a regional economic system is the interaction of elements in this system with-in limited territorial scope.

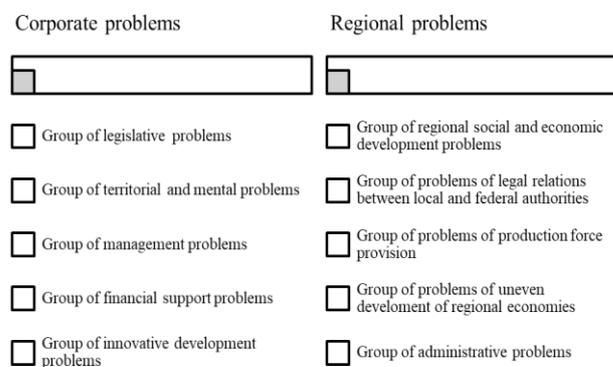
Finally, a regional economic system, in our opinion, can be identified as a mechanism limited by spatial dimensions including economic elements capable of interacting with each other and creating new elements by forming production and consumption, as well as the distribution of economic goods. Regional economic structure, in fact, represents a complex entity that is formed based on the interaction of elements of the economic system limited by spatial dimensions, including socio-economic and environ-mental processes and interrelations and is intended for the development of the area by the principle of the division of labor and economic goods.

If everything seems clear about the conceptual framework, the issue of interaction between corporate structures and regional economic structure, unfortunately, remains understudied.

C. Flow Chart

The conducted research revealed a number of unresolved problems concerning the functioning of corporate structures and regional economic systems. The review of the necessary problems and their range requires that their division into corporate and regional problems and their scientific systematization (Fig. 1).

Fig. 1. The structure of problems of corporate structures and regional economic systems.



Source: Compiled by the author.

III. RESULT ANALYSIS

Groups of problems identified within corporate problems are broken down as follows:

1. Group of legislative problems, which reflects the issues of relations between the state and commercial structures not regulated or insufficiently regulated by law, includes the following problems:

- the absence of the concept of corporate structure in current legislation;
- the imperfection of regulatory support of corporate relations;



- the insufficient legislative framework for support of the region's socio-economic development.
2. Group of territorial and mental problems covers complex issues of location of corporate structures and specifics of their activities in particular regions, as well as adaptation to local mental and territorial features. The group consists of the following problems:
- insufficiently developed infrastructure and social environment;
 - monopolization of markets;
 - negative impact of vertical integration.
3. Group of management problems is composed of the issues arising between owners of corporate structures and managers that need to be resolved, including issues concerning the distribution of responsibility among them. The group includes the following problems:
- low qualification of the workforce;
 - lack of new proposals for production development;
 - detachment of management staff from realities of production processes;
 - focus of corporate employees on career development.
4. Group of financial support problems consists of issues related to negative factors of financial activities carried out by corporations and reflected in the following problems:
- high tax levies;
 - dependence of corporate structures on financial market mechanisms;
 - illiquidity of own funds.
5. Group of innovative development problems includes the following complex problems of the slow rate of scientific and technical progress demonstrated at the micro-level:
- use of obsolete technologies and lack of interest in new technologies on behalf of corporate management;
 - loss of competitiveness and labor productivity;
 - lack of scientific unit in a corporate structure.
- The range of problems identified within regional problems, in turn, is systematized as follows:
1. Group of regional socio-economic development problems, including the following:
- poor infrastructure support;
 - lack of private investment in the non-government sector of the economy;
 - insufficient regulation of internal and external migration of the population;
 - lack of interest in the application of methods to promote an increase in economic capacity of the subjects of the Russian Federation;
 - low-quality control over the execution of instructions at all management levels.
2. Group of problems of legal relations between local and federal authorities, including:
- no circle of authorities of local self-government bodies enshrined in current legislation;
 - non-division of authorities between the management levels.
3. Group of problems of production force provision reveals the difficulties related to the raising of funds for production development. Here, the following problems are reflected:
- critical wear of fixed assets;
 - lack of funds for modernization of equipment in

- enterprises;
 - imposing the responsibility on financial stabilization of strategically important enterprises on the state;
 - personnel and technological problems.
4. Group of problems of uneven development of regional economies reflects the following:
- great number of subsidized regions;
 - low level of economic growth;
 - trend of an increase in the difference between rich and poor regions.
5. Group of administrative problems, related to the lack of correct management decisions and the crisis of management personnel:
- low quality of interaction between administrative personnel and local residents;
 - remoteness of local authorities from central government;
 - incompetence of senior executives;
 - merge of business and power;
 - priority of personal needs;
 - irrational (ineffective) management decisions.

IV. DISCUSSION

The systematization of the aforementioned problems allows us to provide a whole range of negative factors of corporate entities' influence on the regional development, characterize and present them as an objectively conditioned hierarchy, as well as to develop proposals on minimization of their negative impact.

Corporate problems consist of interrelated groups of problems of Russian corporations operating in Russian regions under the framework of the national model of "money manager capitalism". The identified range of problems is strongly influenced by all features of the Russian model of corporate governance: systematic redistribution of property in corporations; sufficiently substantial share of the state in corporate equity; selective system of legal defense; transformation of regional authorities into an active entity of corporate relations; low level of use of traditional mechanisms of corporate governance (bankruptcy, securities market, corporate control), etc. The majority of these problems are encountered by all countries with a transition economy.

It is known that in the national GDP, industry accounts for 30%, the service sector – for 65% and agriculture – for about 5%. The core activities of corporations apply to heavy industry. The majority of Russian corporations is concentrated in fuel and energy complex, ensuring 22% of the national GDP [6]. Despite the fact that the service sector makes a major contribution to the GDP of Russia, the industrial complex remains a priority in planning the development of the economy.

Small business makes up about 20%, large companies account for the rest. Thus, corporate structures of the Russian Federation are the main elements of the economy that generate income for the state. This trend negatively affects the national economy as it makes the state dependent on the income of large corporations.

In this connection, the government actively buys a controlling block of shares of large corporations and restructures them into state corporations. Today, state corporations in Russia account for 70%. Consequently, the activities of corporate structures largely depend on the internal and external government policies.

The understanding of corporate relations is based on the development of the economy. However, the basic state regulation of corporate relations should start with legal acts. Here, we deal with such a flaw as the absence of the concept of corporate structure in law. An attempt made by the legislator to define corporate structure in the Russian Federation in article No 65.1 of the Civil Code of the Russian Federation and Federal law “On making changes to chapter 4 part 1 of the Civil Code of the Russian Federation” No. 99 dated May 5, 2014 should be recognized as unsuccessful [7]. In this statutory and legal act, a corporation is approached only from the position of participation (membership), which is obviously not enough to disclose its essence.

Along with this, the negative consequences of the absence of the legal concept of corporation and statutory regulation of internal corporate interaction were pointed out by T.A. Duraeva and N. V. Tyumeneva. The researchers note that in this case, “the content of corporate legislation system mainly consists of local acts of corporations, the so-called internal corporate acts regulating different aspects of internal activity of corporations” [8]. In any case, it is necessary to have stable legislation along with self-regulation capacity.

There is no doubt that the Government of the Russian Federation, which is responsible for the socio-economic stability and ensuring the economic growth of the country and its regions, is doing a lot to implement the principles of corporate social responsibility. At the same time, in Russian practice, these principles are still used mostly by large corporations and often only by corporations with state participation.

The problem of corporate social responsibility is quite complex because, on the one hand, it has been argued that there is a strong economic justification of corporate social responsibility and corporations receive many advantages from working for a long perspective rather than for instant profit. On the other hand, there are many statements that corporate social responsibility diverts from the fundamental economic role of business. Some argue that it is nothing but window-dressing; others believe that it is an attempt to substitute the role of government as a corporate controller.

In order to systematize the set of respective problems, components of the corporate social responsibility category were determined. This category includes company’s responsibility in relations with partners; social aspects of interaction with suppliers and buyers of their products and services; corporate development – restructuring and organizational changes; health and safety of personnel; responsible policy in respect to employees; environmental responsibility; environmental policy and use of natural re-sources; interaction with local authorities, state structures and social organizations; company’s responsibility to society as a whole; PR-information support.

Processes of influence of corporate structures on the development of the social sphere, especially in the regions, require more intensive measures and more signification promotion of initiatives. According to data for 2017, the popularity of social entrepreneurship in Russia remains low. No more than 1% of Russian entrepreneurs are doing social business. Their contribution to national GDP in 2015 was 0.36% [9]. Mostly, corporations support charity. However, financing of other spheres is implemented under control of the state within the framework of social partnership program. In 2018-2019, Russian economists developed a system of criteria, according to which they established the rating of social activity of the largest Russian companies (Table I).

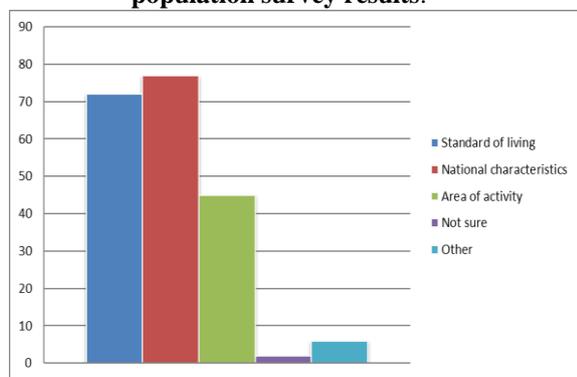
Table I. Rating of corporate social responsibility of the largest companies working at the Russian market.

No.	Name of corporation	Level of interaction with interested parties	Level of awareness of interested parties	Nature of social activity	Characteristics of the social corporate responsibility management system	Additional scores	Final score
1	Rosneft	3	3	3	2	1	12
2	VTB Group	3	3	3	2	0	11
3	Lukoil	3	2	3	2	1	11
4	Norilsk Nickel	3	2	3	2	1	11
5	Tatneft	3	3	3	1	1	11
6	Gazprom	3	3	3	1	0	10
7	NLMK	3	2	3	2	0	10
8	Russian Railways	2	2	3	1	1	10
9	Sberbank of Russia	3	2	3	2	0	10
10	Severstal	3	1	3	3	0	10

Source: “Ecopromsystems” website (presented in summary). Available at: [10].

The activities of corporations are significantly influenced by regional mental and territorial characteristics. Russian regions with specific ethnic composition differ in their lifestyle, traditions and peculiarities of world perception. Sociological studies show that regions differ, first of all, in their standard of living, then their national characteristics and only after that their area of activity (Fig. 2).

Fig. 2. Specific aspects of Russian regions according to population survey results.



Source: "Anketolog" website [11]

Thus, according to the data from the Institute of Public Opinion, published on the Anketolog web-site, Siberians have such traits as calmness — 37%, friendliness — 33% and generosity — 25%. When evaluating the residents of the Far East, respondents noted that people living in this region possess calmness (38%), industriousness (21%), friendliness (19%). The residents of the Urals were characterized by friendliness (26%), industriousness (24%) and calmness (19%). According to Russians, the residents of the Caucasus are considerably different in character from the residents of other Russian regions, they possess hot temper — 78%, generosity — 35%, patriotism — 22%, as well as rudeness — 22% [11].

As to the problems of insufficiently developed infrastructure and social environment, they are relevant for the majority of Russian regions and, in general sense, are associated with the lack of modern companies and organizations related to branches that ensure uninterrupted, effective functioning of a great number of other companies and organizations, that frequently belong to several sectors and spheres of activities. Such a developed infrastructure is needed to raise the level of the region's investment attractiveness. Now, it is even common practice to include it in the separate sector of the economy. The same problems comprise a group of problems related to the need to develop the range of material, economic, social, political and spiritual conditions of existence, formation and activities of individuals and social groups.

Problems that have to be urgently addressed include monopolization of markets by corporate structures, which negatively affects the competitiveness of local products and consequently promotes the stagnation of the regional economy.

Mergers and acquisitions of local productions by corporations have an adverse effect on the region's economic status. As is known, corporations strive to minimize their costs by purchasing local companies. However, in this case,

the local business loses major contracts, which stunts their financial growth. Thus, a negative impact of vertical integration has emerged.

The range of management problems includes issues that need to be addressed and relate to the qualification of the hired workforce, compliance with the interests of owners and executive personnel. Basically, there are several essential problems of managing corporate structures that adversely affect their activity. For instance, the problem of prevalence of unqualified or insufficiently qualified workforce may arise, if hired employees have unrelated education, management excessively saves on qualification up-grade courses, etc.

Lack of proposals on production development is a serious problem. It occurs when a company's management delays review of new breakthrough solutions of executive management for an indefinite period.

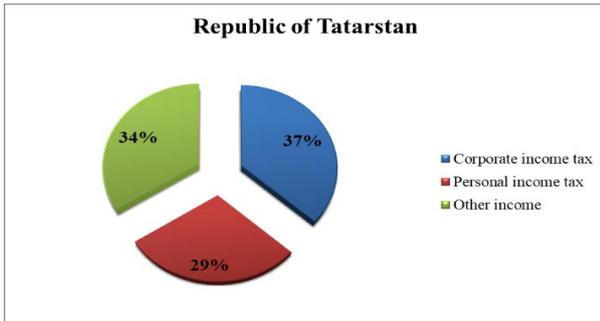
An area of concern is the detachment of management staff from realities of production processes, which is observed due to greater attention paid to the issues of profit maximization through price methods and savings on fixed assets.

Finally, the factors that impede the development of corporate structures include the focus of corporate employees on career development, which occurs when key personnel are more interested in successful career advancement rather than the company's growth. In other words, the prevalence of personal factors over the team factor takes place.

A group of problems that need to be addressed consists of relevant issues of financial activity of corporate structures. High tax levies imposed on corporations pose a separate problem. Tax burden adversely affects the income of corporations and makes them relocate production to regions with low tax levies.

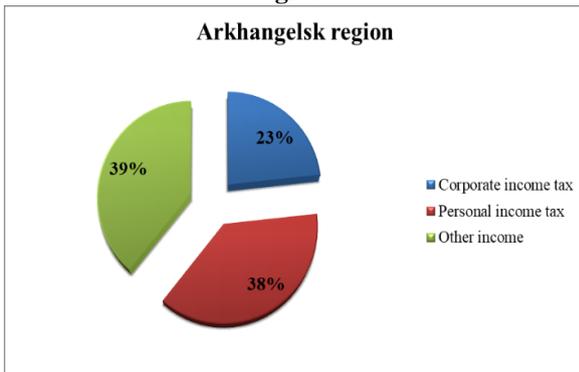
Figures 2 and 3 illustrate the structure of revenues of the two regions of the Russian Federation with different tax regimes. For comparison, three types of revenues were reviewed: personal income tax, corporate income tax and other revenues. The provided schemes show that the Republic of Tatarstan forms its budget from companies' tax payments by 37%, in particular, from the Tatneft oil-Producing Corporation. Other income, in particular, property tax, which is also paid by the companies, makes up 34% and proceeds from the population are only 29%. An opposite picture is observed in the Arkhangelsk region. Other income, of which the major part is non-repayable receipts (about RUR 18 thous. bln. of non-repayable receipts vs. RUR 8 thous. bln of property tax), makes up 39% of revenue. Personal income tax makes up 38% and sales tax — only 29%. This reflects subsidization of the region and indicates low production component of the region's economy unlike Tatarstan, where the level of labor productivity and good tax collection have a positive impact on the economic situation [12].

Fig. 2. The structure of revenue of the Republic of Tatarstan.



Source: Compiled by the author.

Fig. 3. The structure of the revenue of the Arkhangelsk region



Source: Compiled by the author.

The analysis shows that corporate structures have a strong dependence on the mechanisms of the financial market. For example, the problem of illiquidity of own financial funds is related to the deficit of funds or lower-paying capacity of the corporate structure. No wonder that many representatives of Russian corporations characterize the current financial policy as “conservative”, “neutral”, “aggressive”.

Unfortunately, the controlling system, which is a component part of management and is widely used in the Western world, is only an addition to such financial tool as budgeting in Russia. When it comes to such bases of financial policy as investments, the majority of executives in the financial sector of management pay great attention only to the solution of current problems, preparation of reporting,

collection and analysis of information, but by no means to investments. Owners of corporations are interested specifically in assessing results of merger and acquisition transactions, capital spending and overall management system for this process. Therefore, it is fair to recognize concerns of some researchers noting that striving for total control and self-management makes the system vulnerable, as there is no delegation and possibility for replacement, which may lead to unmanageability and uncontrollability when the tiniest failure in the financial sector will lead to drastic consequences in corporate activities.

A group of the problem is related to the innovative development of corporations and difficulties in using new technologies. The usage of obsolete technologies adversely affects productivity, product quality and competitiveness in the market. It is necessary to address the issues of development and use of technologies, where the major difficulty is posed by the practice of using the technologies similar to those developed and applied by other corporations. The result of the application of similar technologies, as a rule, is the manufacture of almost the same product as that of competitors, which, certainly, makes the product unoriginal, and thus reduces its price in the market.

Lack of interest in new technologies on behalf of corporation management poses a serious problem. This rather complex theoretical and practical issue needs to be resolved and is associated with the lack of competitive motivation among corporations, especially among monopolists and oligopolists.

It is known that research unit allows a corporation to use own innovative developments and not to buy them from other companies at a higher price. Such a disadvantage in the sphere of large business is an obstacle on the way to achieving the goal of effective innovative development.

It is important to note that a group of problems that impedes the economic growth of Russian territories, for the first time, was recorded in the Decree of the President of the Russian Federation “On approval of foundations of the state policy of regional development of the Russian Federation until 2025” dated January 16, 2017 No. 13 (Table II).

Table II. Problems of socio-economic development of regions.

Problems	Characteristics
<i>Infrastructure problems</i>	Problems related to the lack of infrastructure, as well as financing of the main sectors of the regional economy;
<i>Lack of private investments in the non-public sector of the economy</i>	Insufficiently developed measures to attract investments in priority areas;
<i>Low control over the regulation of internal and external migration</i>	Problems of migration of the population from regions in search of better living conditions (salary, social conditions);
<i>Non-application of methods to promote the increase of own economic capacity of the subjects of the Russian Federation</i>	Allocation of budget funds to support the economic stability of the regions increase the budgetary pressure;
<i>Low-quality control over the execution of instructions</i>	High workload on controlling agencies.

Source: Compiled by author.

The table shows that a significant part of the problems of the regional socio-economic development consists of financial and effective control issues. Thus, the country’s leadership

sets objectives by ranging them and grouping as problems of the regional level that require a prompt solution.



Of considerable importance are theoretical developments. Thus, based on interesting ideas out-lined in the scientific article by D.B. Ostankov, a group of problems of legal relations between local and federal authorities can be distinguished. Among them, the main problems are the lack of power of local authorities, division of power among municipal entities (in case when one municipal entity has other municipal entities within the borders of its territory) in current legislation, as well as no provision as to “which public powers should be granted to local authorities and which should not be, where the basis of such granting should be the interests of the population, economic expediency, rational decentralization, availability of personnel to implement constitutional provisions relating to granting certain public power to local authorities” [13].

The most important factor of influence of corporate structures on regional economic systems is their production capacity. The group of problems of production nature includes the logic of grouping the most pressing problems of the development and use of production capacity of the corporation by regions stems from organizing the circulation of this capacity, which depends on properly built corporation activity and is determined by the purpose of its creation and functioning. The issues of preparation and launching of production flows (involvement of resources in production activity and formation of their optimum combination in view of specifics and needs of a particular project), direct application of production process (transformation of information and inventory resources into finished product), payoff (pay-back) from sales of production flows were taken into account. In cases when all or at least majority of production problems can be solved, the dynamics of industrial production is higher (Figure 4).

Fig. 4. Industrial production in Russian regions for January-September 2018, percent to the same period of 2017.



Source: RIA Novosti website (map is prepared based on Rosstat data) [14].

One of the major problems in this area is the critical wear of fixed assets, which leads to the loss of product competitiveness and decline in production profitability, rising costs.

The problems of lack of funds for equipment modernization in enterprises arise from challenging situations related to the provision of insufficient funds for upgrade of equipment due to the sales of un-competitive products. Consequently, in this case, government subsidies are required, which, as a rule, are allocated only to companies operating in strategically important industries.

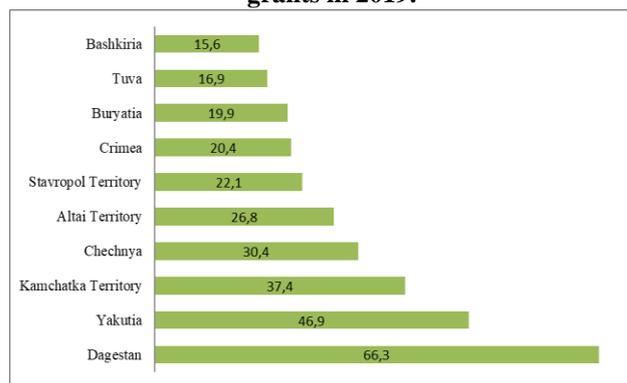
Personnel problems in the region arise, first of all, due to the lack of qualified workers, who leave the region because of

low pay, no personal motivational preferences, shortage of educational institutions providing highly qualified personnel to work with advanced hi-tech equipment.

Technological problems include a number of specific components: technological lagging; low rate of equipment modernization; use of energy-consuming technologies; low labor productivity.

Numerous important problems are related to uneven regional economic development. One of the critical problems in this area, in our opinion, is related to a great number of subsidized regions that increase the budgetary pressure on the state and lose motivation for development and competition (Figure 5).

Fig. 5. Regions with the highest number of government grants in 2019.



Source: Data of the Federal Treasury, the Federal Budget project [15].

It is necessary to pay attention to the fact that uneven development of a region is also related to the low level of economic growth including a range of negative aspects: socio-economic environment, production decline, administrative crisis, environmental situation, infrastructure, mental characteristics of the indigenous population.

One can agree with the conclusion of L.U. Eskerkhanov and S.R. Shamileva that there is a trend for an increase in the difference between the rich and poor regions. The scholars rightly link this trend with the “inability” of poor regions “to focus investments in several areas” and join a number of other re-searchers in believing that “the main mechanism of economic growth for the poor regions is trade and for the rich ones — investments” [16].

The group of administrative problems consists of problems of the regional management resource. For example, the problem of the remoteness of local authorities from the central government is related to the fact that the central government is located at a great distance from local administrations, which impairs the ability to carry out orders and exercise control. This, by the way, gives rise to the problem of significant time expenditures, required for approval of decisions, transportation of highly sensitive and secret documentation, etc. Finally, problems related to human factor integration, incorporate not only vital behavioral and social problems but also political and management problems: merging of business and power,



incompetence of leadership, wrong management decisions. Certainly, the main resource for the development of corporate structures in the modern era is the creative abilities of a human being, their energy and initiative.

V. CONCLUSION

Implementation of strategic objectives aimed at the development of sustainable and effective macroeconomic reality, solution of social problems and ensuring long-term and steady growth in personal income have become a concern not only for the state but also for the business community, especially for large corporations.

This is complex management and socio-cultural activity associated with a variety of multi-level and multi-aspect problems. Identification, systematization and decomposition of the problematic field in the mutual influence of corporate sector of the economy and regional economic systems will help to develop conceptual methodic provisions for improving the management of complex socio-economic systems, as well as solve problems of corporations and regional economic systems specified in the course of research. The issue of developing the methodological fundamentals in the designated sphere is a further objective for researchers. In the long-term, this will help to identify and develop the adaptive conceptual and organization-economic mechanisms for the development of corporate entities in order to increase the effectiveness of their functioning in modern regional economic systems.

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