ASSESSMENT OF CLUSTER FORMATION IN MANAGEMENT OF RECREATIONAL ACTIVITY

Abstract: In the article, the author's views were formed on the basis of studying the research of foreign researchers who conducted research on the formation of clusters in the field of management of recreational activities. Analyzed the indicators of development of the recreational sphere of the Republic of Uzbekistan for 2013-2019, determined forecast indicators of development of the sphere in 2020-2022, and proposed a mechanism for forming recreation cluster in our country. Proposed the ways of using Public-Private Partnership mechanism in the organization of the recreational services cluster, and developed recommendations on the optimization of the organization process and management of clusters.

Key words: recreation, recreational tourism, management, market of recreation services, free tourist zone, cluster, gravitation model.

Language: English

Citation: Mirzaev, A. T. (2020). Assessment of cluster formation in management of recreational activity. ISJ Theoretical & Applied Science, 04 (84), 605-610.

Introduction

In order to further development of the tourism sector – increase its share in macroeconomic indicators, and provide the population with new jobs in the regions grew need’s for scientific research, which provides a basis for improving the use of tourist and recreational activities. In this regard, recently special attention is paid to research development of the market of recreational services. Practical skills of the developed world show the increase of efficiency of functioning of the service infrastructure based on the development of the market of recreational services, improving the efficiency of using and increasing of efficiency of use of tourism and recreational activities. In the context of modernization of the national economy, the needs for accelerated development of the service sector is growing. Speaking about the importance of the development of this sector in the economy of our country, in an Address to the Oliy Majlis (Parliament), President of the Republic of Uzbekistan Sh. Mirziyoyev on the transformation of tourism into a strategic network of the economy noted: “... we must take measures to develop tourism, attract investment to the sphere, increase human resources and number of foreign tourists visiting our country in 2025 to 7 million people, and increase the annual revenue from tourism exports to 2 billion dollars”[1].

In the adopted Strategy of Activities of the Republic of Uzbekistan for 2017-2021, development of the tourism sector is defined as one of the important directions of “accelerated development of the tourism industry, diversification and improvement of the quality of services, expansion of tourism infrastructure”[2]. On the basis of effective management of recreational activities and development of the recreational services, on the one hand, increase the volume of recreational services in a short period, and on the other hand, leads to increased consumption of domestic tourism in the country, due to the increase volume of recreational services in the country.
The economic reforms carried out in Uzbekistan have led to significant changes in the tourism sector. The following functions are defined as a target in the tourism development strategy of Uzbekistan until 2030: "...to increase and implement the social role of tourism, including social, health-improving development of children's and youth tourism...". The implementation of these tasks shows the need for scientific research, which provides the basis for an in-depth analysis of the market of the recreational services in order to improve the organizational and economic environment of the sphere recreational services, restore tourist zones, clusters, and provide the population with new jobs.

According to the researches of V.A. Kvartalnov, recreation is an understanding of the processes of expanding the use of physical, mental, emotional forces of a person, restoring his physical and mental strength through various entertainment events, outdoor walks[3].

D.V. Nikolaenko singled out recreational activities for a number of parameters. By duration – short-term and long-term rest; by location – by types of rest within the country and abroad. According to D. V. Nikolaenko, recreation is a type of activity aimed at restoring a person's strength, in which it is desirable to rest.

L.A. Akimov defines that tourism is one of the most diversified forms of recreation, one of the active types of recreation, which is the process of restoring a person's ability to work through various activities[4].

In our opinion, recreational activity is the rational use of natural and recreational resources, as well as national recreation complexes (health resort infrastructure and human resources) for the purpose of individual and social rehabilitation of the population.

Taking this into account, the development of the services market based on the formation of clusters of recreational services, which are one of the directions of effective use of recreational activities in the regions of our country, is recognized as one of the promising directions.

A tourism cluster can be organized locally and regionally. The cluster approach to tourism, in our opinion, makes a significant contribution to the economic growth of the region. Today, economic models in the field of tourism in different countries are developed mainly to increase the proportionality of clusters. And this, together with the system of providing direct tourist services, simultaneously provides it with the development of complementary service areas.

From this point of view, a cluster approach is proposed for the effective organization of existing recreational activities in the regions of our country.

Provided research shows that organizations and enterprises are interconnected organizations of socio-economic development in the form of clusters. Recreational activities in the regions are also developing in the form of vertical and horizontal links. In a particular region, recreation will have a stable level of development in the form of clusters. There are various types of activities of economic entities. In the process of development of recreational zones, complexes, clusters, processes of specialization, cooperation, concentration, and combination are experienced. The specialization of economic entities in the field of recreation is formed on the base of the needs of the market in the region. There is a great importance in the rapid development of cluster activities in recreation, recreational objects and gravitational models. Model of gravity (gravitas means – weight, force, movement). This model means the process of gravity arising from the distances between interconnected objects (cities, regions, countries) in a social or economic sense. This model also has a regional character. Under its influence change the processes of urbanization, deployment of production forces, export-import relations, and population migration. Reyli-konvers model shows that in large cities, there is a huge mass of consumers, when delivering them finished products, it was preferable to weigh the products from local sales representatives, since they are far from major shopping centers. This gravitational model has been used in the field of trade. This model was developed in 1931 by Professor W. Reilly (Texas University) based on Newton's law of gravity. In 1931 P. Converse published the book "The Law of Attraction of Retail Trade"[5]. Reilly was one of the first researchers, who developed the law of attraction for retail by analyzing retail competition[6].

Modeling of the dynamics of the main indicators of recreational activities in the Republic of Uzbekistan shows that this model can be carried out using models such as trends and time series that occur in this area. Vehicle management of the recreational activities makes it easy to simplify the process with effective strategic planning and ensures quality changes. Based on this, in the context of the formation of recreational clusters in our country, we analyzed the trends of their changes over a number of years, in which some indicators of recreational activities are studied below (table 1).
Impact Factor:

| Source       | Impact Factor |
|--------------|---------------|
| ISRA (India) | 4.971         |
| ISI (Dubai, UAE) | 0.829     |
| GIF (Australia) | 0.564       |
| JIF          | 1.500         |
| SIS (USA)    | 0.912         |
| PIIH (Russia) | 0.126        |
| ESJI (KZ)    | 0.816         |
| IBI (India)  | 4.260         |
| GIF (Australia) | 0.564       |
| SJSF (Morocco) | 5.667      |
| ICV (Poland) | 6.630         |
| PIF (India)  | 1.940         |
| PIIH (Russia) | 0.126        |
| ESJI (KZ)    | 0.816         |
| IBI (India)  | 4.260         |
| GIF (Australia) | 0.564       |
| SJSF (Morocco) | 5.667      |
| ICV (Poland) | 6.630         |
| PIF (India)  | 1.940         |
| PIIH (Russia) | 0.126        |
| ESJI (KZ)    | 0.816         |
| IBI (India)  | 4.260         |
| GIF (Australia) | 0.564       |
| SJSF (Morocco) | 5.667      |
| ICV (Poland) | 6.630         |
| PIF (India)  | 1.940         |
| PIIH (Russia) | 0.126        |
| ESJI (KZ)    | 0.816         |
| IBI (India)  | 4.260         |

Table 1. Indicators of development of the recreational complex of the Republic of Uzbekistan for 2013-2019

| №  | Indicators                                                                 | 2013     | 2014     | 2015     | 2016     | 2017     | 2018     | 2019     |
|----|----------------------------------------------------------------------------|----------|----------|----------|----------|----------|----------|----------|
| 1  | Volume of services provided by main types of economic activity (billion soums) | 55872.8  | 68032.1  | 78530.4  | 97050    | 118811   | 150889.8 | 191629.8 |
| 2  | Accommodation and catering services (billion soums)                         | 590.1    | 729.1    | 890.6    | 3038.7   | 3649.6   | 4673.3   | 5984.1   |
| 3  | The number of sanatoriums and resorts, institutions – all                   | 370      | 387      | 392      | 434      | 460      | 484      | 509      |

Based on trend models, determined a list of forecast indicators and the most convenient functions for calculating them in 2020-2022 (Table 2).

Table 2. Forecast indicators of development of the recreational complex of the Republic of Uzbekistan in 2020-2022

| №  | Indicators                                                                 | Model                                                                 | Forecast     |
|----|----------------------------------------------------------------------------|------------------------------------------------------------------------|--------------|
|    | Volume of services provided by main types of economic activity (billion soums) | $y = 7.17 \cdot x_1 + 611.68 \cdot x_2 - 176653.58$                     | 191078.3     |
|    | Accommodation and catering services (billion soums)                         | $x_1 = 751.52 \cdot t$                                                 | 6012.2       |
|    | Number of sanatoriums and resorts, institutions – total (units)             | $x_2 = 24.25 \cdot t + 336.71$                                         | 531          |

We have determined the development of the recreational tourism sector of Uzbekistan in terms of the volume of services provided by the main types of economic activity. Found that the change in the volume of services provided by the main types of economic activity ($y$) is associated with a number of high influencing factors, and these factors were chosen as the volume of services provided by residential and dining facilities - $x_1$ and the number of health resorts - $x_2$. Based on the identified data, compiled a multi-factor econometric model of changes in the volume of services provided by the main types of economic activity in the Republic of Uzbekistan under the influence of factors.

The volume of services provided by the main economic activities in the variation model is $a_0=176653.58; a_1=7.17$ and $a_2=611.68$. On the base of this, formed the equation:

$$y = 7.17 \cdot x_1 + 611.68 \cdot x_2 - 176653.58$$

(1) – a regression model which expresses this process. Since there is no autocorrelation in the identified trend and it is also required by other criteria, the above equation (1)-regression was considered reliable.

Here: $y$ – the volume of services provided by the main economic activities;

- $x_1$ – accommodation and food services (billion us dollars) the amount;
- $x_2$ – the number of resorts and recreation centers (units).

Based on the regression equation (1):

- scope of accommodation and catering services

$$x_1 = 751.52 \cdot t$$

- number of resorts and recreation centers

$$x_2 = 24.25 \cdot t + 336.71$$

The forecast of changes in the volume of services provided by the main economic activities was determined by placing models expressing changes in indicators determined by the influence of the time factor (1) - instead of the corresponding variables included in the regression equation (Fig.1).

1 Developed by the author on the base of the results of the research.
Impact Factor:

ISRA (India) = 4.971  SIS (USA) = 0.912  ICV (Poland) = 6.630
ISI (Dubai, UAE) = 0.829  PHHI (Russia) = 0.126  PIF (India) = 1.940
GIF (Australia) = 0.564  ESJI (KZ) = 8.716  IBI (India) = 4.260
JIF = 1.500  SJIF (Morocco) = 5.667  OAII (USA) = 0.350

Figure 1. Forecast indicators of the volume of services provided by the main types of economic activity²
(billion sum)

The cost of accommodation and catering services \((x_1)\), the number of health resorts and recreation centers \((x_2)\) the factor influencing the increase in the volume of services provided by the main types of economic activity \((y)\) has increased from year to year. This leads to increasing volume of services provided by the main economic activities, which is considered a direct exit factor.

A structural study of the current situation of the recreational services market of the country shows that most enterprises in this sphere are not organized in clusters, more precisely, services around basic services are formed separately, mainly due to demand and disorganization. Because infrastructure systems that are formed around all recreational facilities are formed in the form of structures that act separately, are not interconnected and generally organized. The fact that the capacities of these structures are linked to the main service capacities, on the one hand, leads to their partial inefficient functioning in the market, on the other hand, there is a high risk that there will be unexpected failures in meeting the demand of recreants for these products and services. Such cases lead to decreasing in the level of “attractiveness” of enterprises offering recreational activities.

On the basis of the best practices of recreational services clusters in countries where recreation activities have been developed and a method of strategic management in this area has been formed, we have proposed a mechanism for forming a cluster of recreational services with a separate structure in our country.

Since the proposed cluster is associated with recreational services, it is based on recreational facilities.

Organization of the recreational services cluster in the structure proposed above will fully cover the service markets on a territorial scale. However, first of all, property responsibility in the formation of a cluster is the correct distribution, that is, the structural system of the cluster is clearly superimposed on what activities are carried out by whom, and the proportional functioning of cluster systems plays an important role. There are several ways to form the property basis of the proposed cluster:

1) when all cluster chains are formed based on the funds of a single entrepreneur, infrastructure systems with basic services organize activities based on each other's indicators. In these conditions, the cluster is organized in the form of a complete business activity. However, the fact that the cluster organization in this form, as well as the implementation of the activity itself, is the only person with a sufficiently large amount of financial resources and requires the inclusion of their own resources in this activity, may lead to problems in the functioning of the system. In addition, when managing a large organizational structure in the form of a cluster with both horizontal and vertical connections, there is a high probability of problems with time and volume of work.

2) systems within the cluster are organized and operate on the basis of the property of other entrepreneurs. The activities of Bund cluster

² Developed by the author based on the results of the research.
Impact Factor:

| Journal  | Impact Factor |
|----------|---------------|
| ISRA (India) | 4.971         |
| ISI (Dubai, UAE) | 0.829         |
| GIF (Australia) | 0.564         |
| JIF      | 1.500         |
| SIS (USA) | 0.912         |
| PHHII (Russia) | 0.126         |
| ESJI (KZ) | 8.716         |
| SJIF (Morocco) | 5.667         |
| ICV (Poland) | 6.630         |
| PIF (India) | 1.940         |
| IBI (India) | 4.260         |
| OAJI (USA) | 0.350         |

associations are coordinated by a cluster Directorate consisting of representatives of each system. The main task of the Directive will be to coordinate the activities of infrastructure systems within the scope of enterprise services, which is considered the core of the cluster. At the same time, the funds spent on the organization and operation of enterprises in the structure of individual systems are distributed depending on the volume of work performed. Therefore, not required a large amount of financial resources. In the management process, the probability of problems occurring both in time and in the volume of services provided is relatively low.

In both cases, the revenues from the activities of clusters are unable to cover costs in the short term. This may create certain difficulties in attracting private entrepreneurs to the cluster. It is worth noting that today it is proposed to use the experience used in organizing cluster activities in some foreign countries, including the Russian Federation. The organization and development of Bund clusters is carried out within the framework of targeted state programs, and clusters are subsidized within the framework of public-private partnership for a certain period of time.

We propose to organize a cluster of recreational services based on the second way. This follows from the decree of the President of the Republic of Uzbekistan dated October 20, 2018 "On measures primarily to create a regulatory and institutional framework for the development of public-private partnership” PP-3980, the cluster of recreational services will be formed with the participation of funds from public and private partners. Organizing clusters on this way has following privileges: at first, when risks are distributed within the framework of cluster financial activities, and second, the state is directly involved in the implementation of industry development programs. Third, in conditions where the rate of return on funds spent on creating recreational facilities is relatively low, the activities of entrepreneurs are directly supported by the state, and state entrepreneurship also takes place.

Figure 2. The mechanism of public-private partnership in the formation of recreational services cluster [7]

Based on the above tasks and practical results were made the following suggestions and recommendations:
- restoration of tourist clusters in recreational zones (construction of a complex of tourist facilities that cover all areas of tourism in addition to sanatoriums, boarding houses and recreation areas in all regions and regions of Uzbekistan and through this attraction of domestic and international tourists);
- creation of "free tourist zones” in widely developed regions of tourist clusters;
- the mechanism of public-private partnership based on state intervention in the organization of a cluster of recreational services is proposed in the market of tourist and recreational services;
- develop a separate structure and formulate a long-term strategy for management of the activities of recreational enterprises;
- the procedure for changing the main indicators related to recreational activities in Uzbekistan for 2013-2022 has been defined. The forecast indicators show that the volume of services provided by the main economic activities can reach the growth trend by 2022.

When managing recreation activities the formation of clusters or the optimal replenishment of partially formed clusters becomes an explicit requirement of the hidden needs of these clusters in a short period of time, thereby increasing the possibility of fully mobilizing their existing capabilities to meet it. This, in turn, will lead to an increase in the level of income of recreational service enterprises, or rather those enterprises that are considered the core of the cluster.

References:

1. (2020). Address of the President of the Republic of Uzbekistan Sh. Mirziyoyev to the Oliy Majlis (Parliament). Narodnoye Slovo, January 25.
2. (2017). Resolution of the President of the Republic of Uzbekistan PP-4947 "On the Strategy for further development of the Republic of Uzbekistan", February 7. Collection of legal documents of the Republic of Uzbekistan, #6.
3. Egorov, N.N., Morova, I.A., & Polyanskaya, N.Ya. (2014). Prospects for the development of the tourist market of the Republic of Sakha (Yakutia), Monograph. (p.21). Saint-Petersburg.
4. Aleksandrova, A.Y. (2005). International tourism. (p.54). Moscow.
5. Reilly, W.J. (1931). The law of retail gravitation. New York.
6. Limonov, L.E. (2015). Regional economy and spatial development. Moscow: Yurayt.
7. Mirzaev, A.T. (2019). Improving the efficiency of using tourist and recreational facilities in the regions of Uzbekistan: dissertation for the degree of doctor of philosophy (PhD).- S.: Most.
8. Hankeldieva, G. Sh. (2017). Osobennosti korporativnogo upravlenija v akcionernyh obshhestvax s gosudarstvennym uchastiem. Bulleten` nauki i praktiki, №. 11 (24).
9. Mirzaev, A. T. (2018). Estimation of the prospects for the use of recreational facilities in the market of tourism services. Nauka segodnja: vyzovy, perspektivy i vozmozhnosti [Tekst], p. 76.
10. Mirzaev, A. T. (2019). Sovershenstvovanie integral`noj ocenki mehanizma rekreacionno-turisticheskikh ob#ektov. Bulleten` nauki i praktiki, T. 5, №. 2.
11. Xankeldieva, G. Sh. (2019). Prospects for the development of investment activity in the field of tourist services: problems and ways of solution. ISJ Theoretical & Applied Science, 10 (78), 780. Philadelphia, USA.
12. Hankeldieva, G. Sh. (2017). Perspektivy razvitija jelektrojenergeticheskoj otrasi respubliki Uzbekistan v uslovijah modernizacii jekonomicheskih otnoshenij. Bulleten` nauki i praktiki, №. 12 (26).