Integration of investment and construction complex of the Rostov region in the economic space of the region

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Abstract. In this paper, the authors initiate a search study of the effective management of investment and construction complex as the basic for the development of the spatial economy of the region.

Introduction
The socio-economic transformations taking place in our country in connection with the transition to market relations have affected all sectors and complexes of the national economy, including the investment and construction complex, the state of which has a serious impact on the spatial development of the regions. This circumstance has significantly changed the nature of management of the construction sector, the development features of which are determined by the presence of its own production and economic potential and regional investment policy. The increasing complexity and instability of the economic space in modern conditions leads to the fact that the standard forms and types of adaptive behavior of participants in the investment and construction complex and the change management processes are becoming less and less effective. In this regard, the management system of the regional construction complex should be based on the strategic planning of the region’s economy, that is, so that the construction sector could perform all the tasks of spatial development of the regional economy and enter the interregional market of investment programs in the future. All this is possible by means of proportional development of construction capacities and material and technical base of the construction industry on the territories of the region, the balance of capital investments with the capacity of regional construction complex.

Analysis of recent achievements and publications
The following scientists devoted their works to the theory and practice of construction management A.N. Asaul, V.V. Buzyrev, V.M. Vasiliev, Yu.N. Kazansky, A.M. Nemchin, Yu.P. Panibratov. The below scientists were engaged in problems of management and development of economic systems, the development of business strategies: V.S. Kabakov, B.L. Kuchin, T.D. Maslova, E.V. Shaturova, E.V. Yakusheva and others. At the same time, the scientific economic literature does not sufficiently address the problematic issues of system integration of the investment and construction complex into the economic space of the region, the assessment of the effectiveness of management of the regional investment and construction complex is not sufficiently studied. All this necessitates a more in-depth
study of the issues of managing the integration of the investment and construction mesocomplex into the economic space through a separate study of the problem under consideration.

Formulation of goals and setting the objectives of the work
The aim of our research is to provide instrumental support, the development of strategic directions of the concept of managing the integration of the investment and construction mesocomplex into the economic space of the region. Whereby the main attention is paid to the organizational and economic aspects of the problem and the systemic approach to their solution. Taking into account the objectives of the study, a number of interrelated tasks are set: to analyze the effectiveness of the territorial organization of investment and construction activities in spatial development; to present disproportions of investments in fixed assets in municipalities of the region; to substantiate the concept of system management of the investment and construction complex.

Presentation of the main research material, formulation of recommendations
The most important provision of the territorial and spatial development is the fact that the territory is an integral organism, which represents unity of material and social space of human activity. The structural heterogeneity of the regional space is expressed in the differentiation of urban and rural areas by type and purpose. [2]. Heterogeneity of general economic starting conditions and the potentials of development of the construction business, regional construction markets acts as an objective condition for the formation of the regional investment and construction complex. The regional “Investment and construction complex” should be understood as a set of sectors of economy, organizations and various industries, associated by organizational and economic relations, allowing to create a material base by attracting investment in the construction industry on the territory of the specific region [1]. For the effective economy of the region the importance of investment and construction mesocluster is obvious. Its development contributes to solving numerous socio-economic problems associated with the implementation of programs on providing the population with housing, improving its quality and comfort, reconstruction and repair of dilapidated housing. At the same time, the building potential of the region largely depends on how balanced the financial investment flows are.

Let us analyze the efficiency of the territorial organization of investment and construction activities in the spatial development of the Rostov region. At the present time, the investment and construction complex of the Don fulfills the priorities of the spatial economy on provision of housing, improvement of social infrastructure, construction of large-scale infrastructure projects, ensure of the investment attractiveness of the region. One of the main features of the Rostov region is its self-sufficiency in the mineral resource base for building industry which satisfies not only the needs of the region, but also allows exporting some types of raw materials and construction materials to other regions. Indeed, the region is fully self-sufficient in raw materials, where there are more than 100 large and medium-sized enterprises for the production of bricks, concrete and ceramic products, thermal insulation. Production of building materials meets the needs of construction complex and has potential for increase in production due to investment attractiveness of the region.

In order to increase the rate of housing construction, the Rostov authorities are developing projects of complex development of territories, which contributes to the development of engineering, transport and social infrastructure. Of the total volume of housing built in 2018 1 397.6 thousand square meters is standard class housing (Figure 1). This allowed to ensure the target value of the Decree of the President of the Russian Federation dated 07.05.2012 No.600 «On measures for providing the citizens of the Russian Federation with affordable and comfortable housing and improvement of the quality of housing and communal services."
Figure 1. Commissioning of the total area of residential buildings from all sources of funding [sq. meters]

Definition of territories of perspective building is carried out on the basis of the developed town-planning documentation. To ensure municipal entities of the Rostov region with the territorial planning documents 722.5 million. Rubles were allocated from the regional budget for the development of construction documentation. In order to develop these resources cartographic materials of different scale for the entire territory of the Rostov Region, the scheme of territorial planning of the Rostov region, the scheme of territorial planning of 21 municipal districts, the master plans of all 12 urban districts were made.

Thus, we can conclude that the organizational and management activities carried out by the regional authorities form a favorable climate and positive image, creating the investment attractiveness of the territory. However, the Rostov region was and remains the region with significant differentiation of municipalities by the level of socio-economic development, conditions and quality of life. The results of the conducted monitoring of investment processes in urban districts and municipal districts of the Rostov region for January-March of 2018, carried out within the framework of a complex system of territorial and departmental research of investment processes, show a positive dynamics not in all municipalities of the Don region, which indicates that there are problems. There is an excessive concentration of investment in the regional center and in some districts and cities of the region. The least amount of investment in fixed capital falls on the following municipalities Novoshakhinsk, Donetsk, Gukovo (refer with Table 1).

Table 1. Investments in fixed assets without budgetary funds across the full range of organizations in urban districts of the Rostov region [3]

| City           | Investments in fixed assets [thousand rubles] | The share of municipal education in the total investment in the region [%] | Growth rate (decline) in fixed assets [%] | January - March 2018 to January - March 2017 [%] | Growth (+), decrease (-) of investments by January - March 2017 |
|----------------|-----------------------------------------------|--------------------------------------------------------------------------|------------------------------------------|-----------------------------------------------|-------------------------------------------------|
|                | January – March 2018 | January – March 2017 | January – March 2018 | January – March 2017 |                                 |
| Total in the region | 23786334.0 | 28695768.0 | 100.00 | 100.00 | 82.9 | 82.0 | -18.0 |

Including urban districts

| Rostov-on-Don | 9458188.2 | 9178186.5 | 39.76 | 31.98 | 103.1 | 101.9 | 1.9 |
| Azov          | 336175.6  | 176736.3  | 1.41  | 0.62  | 190.2 | 188.1 | 88.1 |
| Bataysk       | 237088.6  | 195432.6  | 1.00  | 0.68  | 121.3 | 120.0 | 20.0 |
| Volgodonsk    | 3714587.6 | 4924876.3 | 15.62 | 17.16 | 75.4  | 74.6  | -25.4 |
Resources and potential of the Rostov region are predominantly used extensively that in the long term can be a serious limitation in the development of the region and pose a threat to the stagnation of the socio-economic system. Such a situation could have a negative impact on development prospects and accordingly, on the competitiveness of the territory [5]. The main problem or limitation of the increase in construction rates in the region is the presence of large bureaucratic barriers to the allotment of land for construction and coordination of the project. For example, the terms of approval for construction take from six months to two years. Meanwhile, in our previous works investigating administrative barriers in the development of small and medium-sized businesses in the Rostov region, we pointed out that regional authorities should create conditions for development of entrepreneurship [4].

The analysis of activity of the enterprises of regional construction complex showed that they operate in difficult economic conditions. Production and financial results of construction companies, moved in a very unfavorable phase of development, almost came close to critical retrospective lows recorded in 2015 – 2016. Funds of the main activity of construction organizations are worn by 56.4%, machinery and equipment - by 69.9%. Table 2 provides an assessment of the constraints on activities of construction organizations of Rostov region.

Table 2. Assessment of key performance indicators of construction companies of the Rostov region

| Indicators                                      | 2017        | 2018        |
|------------------------------------------------|-------------|-------------|
|                                                | I quarter   | IV quarter  | I quarter   |
| Business Confidence Index                      | -16         | -15         | -20         |
| Number of concluded contracts                  | -6          | -3          | -7          |
| Prices for construction and installation work  | +45         | +41         | +36         |
| Prices for building materials                  | +72         | +69         | -67         |
| Provision of own financial resources           | -9          | -10         | -8          |
| Provision of credit and borrowed financial resources | +2         | -1          | -1          |
| Profit                                         | -4          | +4          | +4          |

For maximum integration of the investment and construction complex in the economic space of the Rostov region the following strategic directions of its development are recommended:

– increase of investment activity, growth of capital investments, upgrading productive capacity and logistics of the construction complex;

– strengthening the competitiveness of Russian construction companies, enterprises of construction industry and building materials industry in the domestic and foreign markets of contract works;

– the formation and implementation of a regional policy that takes into account the system of social, economic and other factors that ensure the sustainable development of the region and the growth of its investment attractiveness;

– increasing the effectiveness of state support for the construction industry.
Summary
The results of the analysis of the state of the investment and construction complex allowed to establish two-way influence of regional policy on the object under study: on the one hand, the investment and construction mesocomplex is the main instrument for the formation of institutional space of the Don region and determines the development pathway of the region's economy, create the conditions for the development of the investment and construction cluster. On the other hand, assessing the mesofactors of the investment activity of construction mesocomplex of the Rostov region, the degree and influence of their influence is established: lack of financial resources, the uncertainty of the economic situation, high percentage of commercial credit, investment risks, heterogeneous development of municipalities of the region. To solve the problems of intraregional differentiation it is necessary to develop programs of inter-municipal cooperation and regional strategic projects aimed at the formation of a balanced development of the regions and their territories.

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