

# Public Administration Tools for Building Local Communities: Challenges and Opportunities

Oleksandra Korchynska <sup>1\*</sup>, Iryna Yaremko <sup>2</sup>, Olena Bilyk <sup>3</sup>, Iryna Dorosh <sup>4</sup>,  
Alina Myroshnychenko <sup>5</sup>

<sup>1,2,3,4</sup> Department of Administrative and Financial Management, Institute of Public Administration, Governance and Professional Development, Lviv Polytechnic National University, Lviv, Ukraine.

<sup>5</sup> Department of Public Management, Administration and Law, Educational and Research Institute of Finance, Economics, Management and Law, National University “Yuri Kondratyuk Poltava Polytechnic”, Poltava, Ukraine.

\*Corresponding author: [k-oleksandra@ukr.net](mailto:k-oleksandra@ukr.net)

© Authour(s)

OIDA International Journal of Sustainable Development, Ontario International Development Agency, Canada.

ISSN 1923-6654 (print) ISSN 1923-6662 (online) [www.oidaijsd.com](http://www.oidaijsd.com)

Also available at <https://www.ssrn.com/index.cfm/en/oida-intl-journal-sustainable-dev/>

**Abstract:** Active innovation and technological development of society contributes to the transformation of approaches, mechanisms and tools of regional public administration. Digitalization is gaining particular importance today, as it allows for the implementation of new areas of e-governance, promotes public-private partnerships, and increases the openness and transparency of public administration. The purpose of the article is to provide a comprehensive analysis of the mechanisms of public administration in the sustainable development of territorial communities, to identify key challenges and prospects for their solution. The study identifies the main mechanisms of public administration of amalgamated territorial communities and the areas of their application, including attracting investors, developing public-private partnerships, stimulating the development of strategic areas and increasing the competitiveness of territories. The key components of the mechanisms of territorial community development are outlined. The role of the motivational mechanism in public administration is substantiated, which aims to increase the competitiveness of communities, optimize the quality of public services, and support local initiatives, provided that the community is socially responsible for the development of the territory. It is found that the digital modernization of public administration is focused on the formation of an electronic platform based on the “single window” principle: the introduction of e-government and a range of e-services through electronic interaction between the state, business and society. It is proved that the format of public-private partnership creates a favorable environment for investment, resource support for important public initiatives, expanding opportunities for economic diversification and sustainable development of territorial communities. It is substantiated that the strategy of sustainable development and corporate social responsibility should now be considered as a priority management approach that stimulates innovation, creates an opportunity to effectively manage available resources and ensures a positive impact on the development of territorial communities.

**Keywords:** public administration, territorial community, mechanisms of public administration, development of territorial communities, digitalization.

## Introduction

The concept of sustainable development and corporate social responsibility, implemented to the fullest extent possible in the public administration system, is considered today to be the most socially effective socially oriented trend aimed at balanced social development. Modern reforms that focus on the transition from the concept of state administration to public administration include the development of opportunities for self-regulation of society, which is provided by modern tools of innovative technologies. The EU Digital Strategy envisages the formation of an effective digital ecosystem where society is delegated most of the management powers.

The issue of optimizing public administration mechanisms in the development of territorial communities is among the research interests of contemporary researchers Klijn & Koppenjan [1], König et al. [2], Magliacani [3], Massey [4]. The researchers see the essence of the regional management paradigm in a systematic approach that combines

innovation and investment activities, financial and economic development, development of strategic areas, and increasing the competitiveness of territories.

Today, there are a number of challenges that hinder the development of public administration in local self-government. These include the low quality of administrative services, the need to increase citizen involvement in governance processes, the lack of fiscal autonomy of territorial communities, and the need to intensify public-private partnerships to effectively address local problems. The need to generate sustainable inclusive development and ensure transparency of the communication process against the backdrop of rapid technological development are also considered to be challenges of our time [5].

At the same time, against the backdrop of global challenges and crises of our time, a number of issues in public administration of community development remain unresolved: improving the quality of public administration by improving its mechanisms, the effectiveness of e-governance implementation, compliance with regulatory and legal support, and a number of others that require expanded research.

### **Literature review**

A number of modern scholars have published on the study of public administration mechanisms in the development of territorial communities. Deineha & Pirtko [6] focus on the concept of sustainable regional development and social efficiency, while Deslatte & Stokan [7] analyze the possibilities of digital systems and e-government that promote corporate social responsibility and interaction between local authorities, business, and society. Guarini et al. [8], Henman [9], Kankanhalli et al. [10], Bielialov et al. [11] focus on the potential of digitalization of management processes in the context of stabilizing socio-economic and political regional development.

Chykarenko et al. [12] consider different approaches to strategic and anti-crisis regional management as a factor in increasing the capacity of territorial communities. Esposito & Dicorato [13] consider an innovative model for the development of alternative local government capacities. At the same time, Bisogno et al. [14] substantiate the prospects of the potential of public-private partnerships in ensuring sustainable regional development and corporate social responsibility.

Endrikat et al. [15] identify the key foundations of sustainable regional development in the context of the effective use of the resource potential of territorial communities and guarantees of neutrality of local business activities in terms of environmental impact: a management structure for effective planning, control and adjustment of resource use, consolidated reporting and management personnel trained to work with new concepts of sustainable development.

Gevorgyan & Baghdasaryan [16], Trondal [17], Smith [18], Zgurska et al. [19] have made a significant contribution to the study of the issue. Scientists have determined the main factors and key prerequisites for the effective implementation of public governance mechanisms within the framework of the sustainable development strategy and corporate social responsibility: strategic alignment, effective decision support system, reliable measurement and reporting, responsibility and risk management.

The publication by Orel et al. [20] explores aspects of the implementation of the public administration mechanism within the concept of sustainable development of territorial communities. The authors see the key to the necessary transformations in the development of practical inclusive public administration systems that form stable networks for public-private cooperation. The researchers emphasize the need to create new institutional mechanisms for multi-level strategic planning and management of the development of territorial communities.

Sánchez-Soriano et al. [21] see the basis of territorial governance as the public capacity to synergize the participation of various actors (the state, the private sector, and civil society). The approach proposed by the authors actualizes the importance of inclusive governance and corporate social responsibility. In addition, Sánchez-Soriano et al. [21] emphasize the need to use digital technologies in territorial development management, which optimizes the communication process between stakeholders and helps to increase community funding.

The active development of the concept of inclusive governance and smart governance in communities should also be emphasized. This involves bottom-up communication and engages local, state, and regional stakeholders in cooperation [22, 23]. These approaches also stand out for their ability to generate useful information for shared decision-making and the interests of local communities. Smart governance uses technologies such as cloud computing and big data to facilitate communication between different actors and increase funding opportunities for communities [24].

At the same time, a number of issues within the scope of the study remain poorly understood or analyzed in a fragmented manner, including ways to improve the quality of governance processes and increase public involvement in them, ways to intensify public-private partnerships to effectively address local problems based on the principles of sustainable inclusive development, which necessitates an expanded study.

**Aims.** The purpose of the article is to provide a comprehensive analysis of the mechanisms of public administration in the sustainable development of territorial communities, and to identify key challenges and prospects for their solution.

## Materials and methods

*Design and scope of the study.* The study focuses on the mechanisms of public administration in the development of territorial communities on the example of Ukraine in the context of sustainable development and corporate social responsibility. Particular attention is paid to the need to improve the sectoral legal framework, integrate international standards, and identify public administration priorities against the backdrop of the dynamics of public demand.

*Data collection and sources.* The article is based on a comprehensive analysis of publications, scientific articles, and sectoral statistical information. First of all, we selected relevant primary sources from publications indexed in leading databases (Scopus, Web of Science). The criteria for inclusion and exclusion of publications were the spatial and temporal indicator and the level of information reliability. The works taken into account were mostly published in the time interval of 2020-2025. The keywords used for the search were “public administration, territorial community, mechanisms of public administration, development of territorial communities, digitalization, sustainable development”.

*Analytical framework and methods.* The methodology was compiled using analytical and synthetic methods, comparison, generalization, systematization, and abstraction, in order to identify cause and effect relationships, define basic criteria and definitions, determinants, and preconditions. Using the method of scientific abstraction, the conceptual basis of public administration mechanisms in the development of territorial communities was detailed. Also, abstraction made it possible to define basic categories and concepts, to formulate generalizing conclusions of the study.

*Evaluation criteria.* Limitations of the study include the lack of access to complete and up-to-date statistical data and the difficulty of experimental verification of theoretical conclusions.

## Results

A systematic approach to public management of the development of territorial communities in the context of sustainable development combines the areas of financial and economic development, environmental safety, and social transformation. Modern processes of regional development against the background of general decentralization are characterized by the growing influence of other participants in socio-economic processes, including citizens' associations, international institutions, etc. Effective support of local development initiatives and intensification of public-private partnerships contribute to the improvement of regional socio-economic performance through the implementation of project, process and creative approaches.

Against the backdrop of active social transformation of the management of territorial communities, the role of local governments is becoming more important. Decentralization processes stimulate the expansion of the functionality of local authorities. In particular, the competencies of local governments include the development of urban infrastructure, health care, gender equality, and poverty alleviation. Other strategic vectors include the development of smart cities, sustainable climate policy, and corporate social responsibility.

The promotion of initiatives complementary to the principles of sustainable development has been practically reflected in different regions. In particular, in India (Kerala), there are examples of effective local governance through the formation of resilient communities that have shown effective community support during the pandemic.

At the same time, in Denmark (Copenhagen), local authorities have set ambitious climate change prevention goals to become the first climate-neutral European capital. They envisaged large-scale investments in environmental infrastructure, which involved active community involvement in sustainable practices. Copenhagen's development management concept convincingly demonstrates the potential of local governments to address global sustainable development challenges.

In South Africa (Cape Town), the local authorities initiated a program of affordable housing for low-income people. The program demonstrates the possibilities of public-private partnership in the context of regional development: the

interaction of the government, business, and the community has allowed the formation of an affordable housing fund, which has improved community resilience and, at the same time, contributed to the creation of new jobs.

Important components of the community management mechanism include stimulating investment activity, increasing entrepreneurial activity, and developing strategic industries for the community. Meanwhile, the traditional algorithm for attracting investment does not take into account a number of important aspects, including the level of infrastructure development, entrepreneurship, social sphere and human capital, as well as the natural and environmental potential of the territory.

The pressure on local governments in the context of expected efficiency, democracy and effectiveness is intensifying in the current crisis. The active urbanization of territorial communities eliminates the strong attachment of citizens to a particular municipality, which is why traditional approaches to territoriality are undergoing significant transformations. The situation is further complicated by growing social diversity and active migration. These changes pose challenges, while at the same time expanding opportunities for innovation and renewal of mechanisms of public administration of territorial communities [25].

The unified methodology of public administration in the development of territorial communities, which is currently absent, should include means of increasing the degree of public trust in the authorities and the level of efficiency of interaction between citizens and the authorities; tools for improving the volume and quality of administrative services provided; introduction of e-government; financing of projects and program activities for regional development; integration of targeted educational programs, consulting and advisory services.

The concept of multi-level governance is gaining particular importance, with its basic principles of shared leadership and ownership, commitment and trust, flexibility and value orientation, and inclusiveness. It is obvious that multi-level governance involves active interaction based on trust and effective adapted approaches. Ongoing commitments from stakeholders in different sectors contribute to successful governance models, avoiding unnecessary bureaucracy. Local management decisions require adaptability rather than unified algorithms. At the same time, inclusiveness promotes cooperation between the state, business, and the community, which intensifies the processes of forming effective management decisions.

The development of governance processes in Europe contains practical experience of successful multi-level governance. In particular, the intensive development strategy of Bilbao, which contributes to the economic growth of the Spanish Basque Country, is representative. The strategy envisages assimilating the efforts of government, business, and academic institutions to develop shared leadership and increase community competitiveness and ownership [26].

Another example is the practice of regional multilevel governance in Hauts-de-France. The strategy envisages the creation of a sustainable economic basis for the integration of smart solutions by synergizing the efforts of sectoral strengths in individual cities and regions. This contributes to the development of local resilience by stimulating effective public-private cooperation at levels that meet priority regional needs [26].

Priority strategic directions of development are individual for each territorial community, as they are determined by the specifics of the existing organizational and administrative structure, natural and geographical conditions, population characteristics, etc. At the same time, it is advisable to identify the main mechanisms of public administration in the development of territorial communities in the context of achieving key strategic objectives.

### ***1) Attracting investments.***

The mechanism envisages the development and implementation of a community investment strategy, as well as the creation of municipal investment, insurance, and financial structures. The mechanism's tools are focused on insuring investments, providing guarantees of their return, and implementing an effective system of intellectual property rights protection, which will optimize the investment climate, increase investor confidence, and minimize related risks.

The mechanism for attracting investments includes: optimization of investment legislation (integration of the mechanism of public testing of investment projects, protection of the rights of foreign investors, stability of the tax regime and fiscal incentives); improvement of the structure of funding sources, introduction of a system of budget transfers, grants and subsidies (reduction of the cost of loans, financing the purchase of intellectual property rights, provision of state guarantees for local development projects, etc.

In the context of the European countries of the Czech Republic, Poland, and Slovakia, for example, there are different levels of regional government involvement in promoting direct investment, which is primarily determined by the context of the socioeconomic conditions of the regions. In these countries, regional promotion aimed at attracting

investment is carried out within a clear governance system. At the same time, there is a political dimension to the process, representing varying degrees of internal coherence. In general, promoting investment in regional development is a component of a broader policy strategy aimed at addressing the priority problems of regions on the path to sustainable development [27].

## ***2) Stimulating the development of entrepreneurship.***

The mechanism envisages the integration of the concept of continuous development of human resources, increasing their adaptability to the dynamics of the socio-economic environment; support for the development of local business associations and entrepreneurial unions; stimulation of inter-municipal cooperation; formation and development of advisory and consulting centers; development of financing of local infrastructure by foreign and national funds; support for innovative development; and implementation of tax incentives for strata.

Local governments should attract available financial instruments to provide additional resources for community development [28]. At the same time, the aspects of transparency and openness require special attention to increase the level of community trust and the quality of administrative services. In this context, municipal-private partnerships and inter-municipal cooperation are gaining importance.

## ***3) Development of public-private partnerships.***

The mechanism ensures effective management of resource potential, helps meet regional needs, and contributes to a more equitable and inclusive society. The main tools of the mechanism include asset sales (business participates in the purchase of shares or through privatization programs), management and leasing contracts (private sector responsibility for project management for an agreed period of time, while retaining municipal ownership), concessions (the private party manages the project within the contractual period, with the attendant risks of investment capital), green field projects (the private partner, either independently or jointly with the community, builds and operates new facilities), and other instruments of the mechanism.

The main functions of the public-private partnership mechanism in the sustainable development of territorial communities are seen as stimulating effective interaction and cooperation to prevent potential threats, partnership for the implementation of development projects, prompt identification of problems that require immediate solution, and the search for new technological, financial and managerial opportunities. The experience of European countries shows the prospects of such concepts of public-private cooperation as the operator model (private financing and management, private-municipal ownership), the cooperation model (private-public financing and management, private-municipal ownership) and the leasing model (private-public financing and management, private ownership).

The functionality of public-private partnerships in uniform and sustainable regional development involves effective spatial management. Given the rapid urbanization, in particular in the regions of China, spatial planning of territories demonstrates significant efficiency in the context of the development of state-spatial interaction. Regional targeted programs and concepts of innovation transfer that best meet the individual needs of the territorial community are coming to the fore [29].

## ***4) Improving the competitiveness of the local community.***

The mechanism envisages local socio-economic development, promoting the competitiveness of local products, intensifying the socio-ecological potential of the community, facilitating the achievement of community goals by commercial entities, stimulating the improvement of the education system and developing the necessary competencies in the workforce.

## ***5) Implementation of the principles of sustainable development and corporate social responsibility.***

The mechanism envisages the formation of a system of socially responsible public administration that carefully adheres to the concept of sustainable development, stimulates innovation, and effectively manages available resources. The development of socially responsible governance involves the formation of friendly relations between the authorities and local NGOs, active environmental activities on a voluntary basis, guarantees of safe working conditions, participation in charitable and sponsorship projects, and the formation of a positive image of the territorial community in the context of sustainable development.

In the context of sustainable community development, the benefits of corporate social responsibility include addressing various social and environmental issues by intensifying investment in the public sphere, transferring innovations and international standards, and promoting spiritual and cultural social progress. The European model of this process involves active state intervention [15], focusing on the strategy of sustainable development and corporate

social responsibility, prioritizing the synergy of the main social initiatives - economy, environment and employment. The development of socially responsible companies involves building good relations with local NGOs, active environmental activities on a voluntary basis, guaranteeing safe working conditions, participating in charitable and sponsorship projects, and creating a positive business image in the context of sustainable development.

#### 6) Digitalization of management processes.

The mechanism is based on digital solutions for optimizing management activities using artificial intelligence, blockchain technologies and cloud solutions. The development of e-participation requires the formation of preconditions for unimpeded access of citizens to public information on request or without it (e-information). The next stage is e-consultation, which is characterized by the level of active involvement of society through electronic consultation. It should be noted that online discussions as a form of public consultation are currently gaining popularity as a way to coordinate decision-making processes by the authorities under the influence of public opinion. The final stage of e-participation development involves e-decision-making.

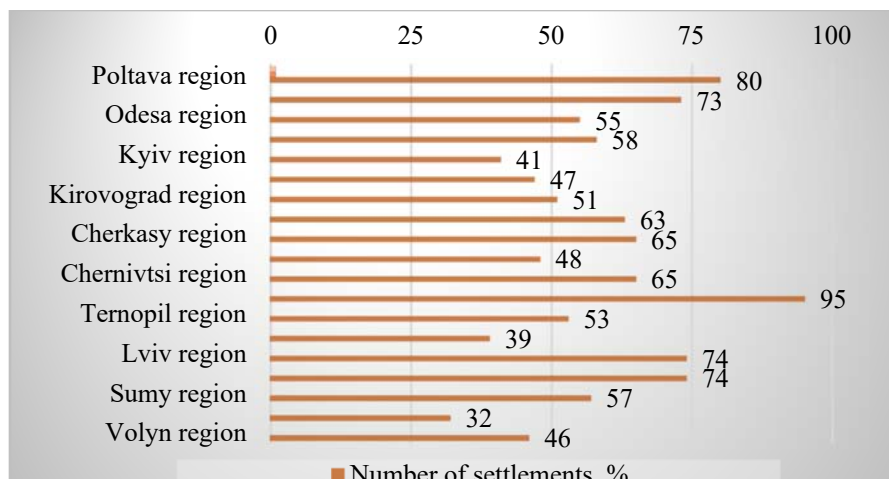
Digitalization of public administration transforms traditional approaches to public service delivery, increasing their efficiency, speed and convenience. In general, the digital modernization of public administration assimilates the entire range of public services, including government-to-citizen (G2C) interaction; government-to-business (G2B) interaction; and internal interaction of government agencies (G2G).

Implementing an e-government system requires optimizing the regulatory framework as a basis for innovative public administration projects; expanding the functionality of digital services and e-services; and increasing the digital competence of managers and citizens. The use of big data and digital analytics allows public services to be maximally adapted to the requirements of an integrated society, optimizing planning and resource allocation processes.

#### 7) Development of strategic areas of the territorial community.

The mechanism provides for active practical support of corporate social responsibility activities and local social entrepreneurship initiatives; stimulating the diversification of economic processes, creating new jobs; ensuring favorable conditions for the development of social and environmental activities and improving the environmental safety of the territory; providing a system of guarantees and responsibility to the community.

In addition, one of the prerequisites for the effectiveness of public administration mechanisms in the development of a territorial community is the identification of the main tasks and their consolidation within the framework of strategic local development programs. For example, the level of implementation of strategic program documents in the regional context of territorial communities of Ukraine is shown in Figure 1.



**Figure 1.** Status of approval of strategic documents by region, % of community settlements, as of 2024

Source: [30]

Implementation of strategic program documents is the key to community recovery. Absolutely any subventions and investments are currently viewed only through the prism of community development, the conceptual framework of which is reflected in the Strategy adopted at the local level. The Strategy is positioned as both a product and a tool for the entire community, and involves combining the efforts of the government, business, local NGOs, and the community itself.

As part of the Community Led Inclusive Recovery [31] initiative, implemented by the Support to Ukraine Reforms Governance (SURGe) project and funded by the Government of Canada, expert support was provided to 14 territorial communities from 7 regions of Ukraine in developing strategic planning documents based on a human-centered and participatory approach. Participation helps to create a sense of ownership, involvement, and responsibility not only for the formation of the final strategic document, but also for the process of its practical implementation. The project initiative focuses on studying the needs of local residents through sectoral immersion. The concept of development strategies is based on the uniqueness of the community, which is the key to its successful development.

In general, among the main potential capabilities of modern public administration mechanisms in the development of territorial communities, the most important are the priority of public interests, depoliticization and decentralization of management processes, systematic quality monitoring and continuous improvement.

### **Discussion**

Modern public administration mechanisms should focus on increasing the competitiveness of communities, optimizing the quality of public services, and supporting local initiatives. A number of modern scholars are convinced of this [32; 33]. Researchers assert the need to transfer modern digital solutions to management processes, including cloud services, artificial intelligence, and blockchain technologies. In the context of Ukraine, it is worth noting the difficulty of implementing the system of digitalization of community management proposed by the authors, given the wartime situation and the low inclusiveness of remote regions. An alternative solution is to implement targeted project solutions for digital optimization through qualified working groups, which will allow for timely adjustments to the process.

A number of scientists, including Omri et al. [34], Shabbir & Wisdom [35], analyze conceptual approaches to the unification of regional public administration mechanisms, actualizing the importance of sustainable development strategy and corporate social responsibility in this context. The researchers define the basics of sustainable resource management and minimization of environmental impact, analyze institutional and legal support, and the principles of corporate financial responsibility development. In addition, some modern scholars [36] formulate key requirements for the transformation of public administration processes in terms of corporate social responsibility: rational use of resources, accessibility for investment, social development, increased employment, and coordination of information flows. The position of these authors is complementary to the conclusions of this study in the context of the integrity of the principles of corporate social responsibility within the general concept of sustainable development of territorial communities. As for Ukraine, the process should be carried out in a strategic complexity, combining financial growth of regions, sustainable development and financial corporate responsibility of territorial communities, which requires a dialogue between business, the state and society.

Klochan et al. [37] draws special attention to the need for innovative events in the field of public administration to focus on modernizing the system of administrative services, increasing the availability, speed and completeness of information, and developing e-participation. The authors argue for the unprecedented effectiveness of e-governance. Researchers Shandryk et al. [38] propose a methodological approach to public management of community development in the context of public-private partnerships within joint local development projects. Smith [18] further analyzes aspects of co-financing investment projects in the development of territories, exploring the public utility functions of public-private partnerships. The conclusions of the scientists correlate with the results of the current study, which indicates the relevance of the proposed ways to optimize the development of territorial communities. Of particular importance in the context of Ukraine is the development of e-participation: the introduction of e-governance and a range of e-services through electronic interaction between the state, business and society.

Meier [39] argues that the main goal of the development of modern regional public administration should be not only socio-economic development, but also social responsibility and improving the welfare of society. The author insists on the need to integrate international requirements for the disclosure of social and environmental information, increase the transparency of business activities, and develop the community towards sustainability. The approach proposed by the author is seen as necessary to establish the boundaries of responsibility of business, government and society for the implementation of the principles of sustainable development and corporate social responsibility.

The authors of Chykarenko et al. [12] pay special attention to the institutional support and conceptual framework of corporate social responsibility in regional public administration, define the legal and managerial basis for its implementation in the current conditions of market dynamics. In addition, scientists Trondal [17], Meseguer-Sánchez et al. [40] identify the key foundations for the effective implementation of management mechanisms, including effective planning, monitoring and adjustment of resource use, consolidated reporting, and management personnel trained to work with new concepts of sustainable development. As for Ukraine, the proposed strategy may face a number of obstacles, including low involvement of citizens in governance processes, lack of financial autonomy of territorial communities, and low level of development of public-private partnerships to effectively address local problems.

The concepts of multi-stakeholder participation and smart governance, which are currently innovative trends in the public administration of territorial communities, deserve special attention in community development. Momen [41] considers multi-stakeholder partnerships (MSPs) as a leading collaborative form of regional governance and an important element of decision-making not only at the local level, but also in global development issues. MSP implies the responsibility of the involved participants for all stages, which is especially valuable in the context of corporate social responsibility and sustainable development. The proposed approach of multi-level management is especially valuable for practical implementation in Ukraine, where traditional public-private partnerships are rather underdeveloped and are mainly implemented in the form of concessions and joint activities without attracting budgetary funds. The main reasons for this are the unfavorable investment climate caused by political and macroeconomic instability, the lack of effective mechanisms of state support, and imperfect legal regulation of public-private partnerships.

The results of the study by Henjewe et al. [42] represent the dynamics of the regional governance paradigm in the direction of multilateral public-private cooperation. The authors propose centralizing projects of interaction between business, the state, and society to maximize the effectiveness of regional decisions. The concept proposed by Henjewe et al. [42] is reflected in the Decentralized Cooperation Strategy until 2030 [43], where the territorial approach is positioned as the basis for community development - an innovative method of planning local development based on sustainable mechanisms of inclusive progress. For Ukraine, this becomes possible in the case of implementing multisectoral and integrated cooperation between different stakeholders, as well as horizontal coordination between all levels of government. The territorial approach can best meet the priorities of sustainable development of territorial communities in socio-economic, institutional, environmental, and cultural aspects.

Despite the importance of scientific achievements, studies of the practical functionality of public administration mechanisms in the development of territorial communities in the context of sustainable development and corporate social responsibility are characterized by fragmentation. A number of aspects of the studied issues remain poorly understood, which actualizes the need for promising theoretical and practical research.

## **Conclusions**

Effective mechanisms of public management of the development of territorial communities will ensure the successful adaptation of society to the necessary socio-economic transformations in the context of sustainable development. Modern reforms focused on decentralization include the development of community self-regulation capabilities, which is ensured by modern tools of innovative technologies.

The main areas of improvement of public administration mechanisms in the development of territorial communities include increasing the volume and quality of administrative services provided; introducing e-government; increasing the degree of public trust in the authorities and the level of efficiency of interaction between citizens and the authorities; integrating targeted educational programs, consulting and advisory services; financing projects and program activities for regional development. The concept of multi-level governance, which requires multi-sectoral and integrated cooperation between different stakeholders, as well as horizontal coordination between all levels of government, should serve as a guideline.

Obviously, business involvement provides local development projects with the necessary resource support, innovative efficiency, and technical expertise to implement important public initiatives efficiently and quickly. Therefore, the main mechanisms of public management of territorial communities are attracting investors, developing public-private partnerships, stimulating the development of strategic areas, e-participation, stimulating entrepreneurship and increasing the competitiveness of territories, and integrating the principles of corporate social responsibility.

Smart regional development management focuses on citizen-oriented digital platforms and innovative social security solutions, which contributes to increased transparency of public administration and public engagement. Creating smart



cities based on multi-level governance in Ukraine requires a number of administrative reforms, the creation of a reliable smart infrastructure, strengthening financing by attracting investment, ensuring cybersecurity and effective big data management.

Socially responsible and effective community development management can be defined as mechanisms that stimulate innovation, efficiently manage available resources, comply with international standards, and implement a strategy of interaction with stakeholders in the context of sustainable development.

## References

- [1] Klijn, E. H., & Koppenjan, J. F. (2020). Public management and policy networks: foundations of a network approach to governance. In: *Making Policy Happen*. Routledge. <https://doi.org/10.4324/9781003060697-5>
- [2] König, P., Wurster, S., & Siewert, M. (2023). Sustainability challenges of artificial intelligence and Citizens' regulatory preferences. *Government Information Quarterly*. <https://doi.org/10.1016/j.giq.2023.101863>
- [3] Magliacani, M. (2023). How the sustainable development goals challenge public management. Action research on the cultural heritage of an Italian smart city. *Journal of Management and Governance*, 27, 987–1015. <https://doi.org/10.1007/s10997-022-09652-7>
- [4] Massey, A. (2022). Sustainable Development Goals and their Fit with Good Governance. *Global Policy*, 13(S1), 79–85. <https://doi.org/10.1111/1758-5899.13037>
- [5] Reilly, T. (2017). The Governance of Local Communities: Global Perspectives and Challenges. *Nova Science Publishers, Inc.* <https://novapublishers.com/shop/the-governance-of-local-communities-global-perspectives-and-challenges/>
- [6] Deineha, I., & Pirtko, M. (2021). Transparency of Territorial Community Governance as a Basis for Quality Financial Support of Their Activities. *Scientific Journal of Bielsko-Biala School of Finance and Law*, 25(1), 48–55. <https://doi.org/10.19192/wsfp.sj1.2021.7>
- [7] Deslatte, A., & Stokan, E. (2020). Sustainability synergies or silos? The opportunity costs of local government organizational capabilities. *Public Administration Review*, 80(6), 1024–1034. <https://doi.org/10.1111/puar.13237>
- [8] Guarini, E., Mori, E., & Zuffada, E. (2021). New development: embedding the SDGs into city strategic planning. *Public Money and Management*, 41(6), 494–497. <https://doi.org/10.1080/09540962.2021.1885820>
- [9] Henman, P. (2020). Improving public services using artificial intelligence: possibilities, pitfalls, governance. *Asia Pacific Journal of Public Administration*, 42(4), 209–221. <https://doi.org/10.1080/23276665.2020.1816188>
- [10] Kankanhalli, A., Charalabidis, Y., & Mellouli, S. (2019). IoT and AI for Smart Government: A Research Agenda. *Government Information Quarterly*, 36(2), 304–309. <https://doi.org/10.1016/j.giq.2019.02.003>
- [11] Bielialov, T., Kalina, I., Goi, V., Kravchenko, O., Shyshpanova, N., & Negoda, A. (2023). Global Experience of Digitalization of Economic Processes in the Context of Transformation. *Journal of Law and Sustainable Development*, 11(3), e814. <https://doi.org/10.55908/sdgs.v11i3.814>
- [12] Chykarenko, I. A., Mamatova, T. V., Chykarenko, O. O., Sergienko, E. O., & Martseniuk, O. O. (2020). *Organizational and legal aspects of elaboration of amalgamated territorial communities sustainable development strategies*. SSRN. [https://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=3632665](https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3632665)
- [13] Esposito, P., & Dicorato, S. (2020). Sustainable Development, Governance and Performance Measurement in Public Private Partnerships (PPPs): A Methodological Proposal. *Sustainability*, 12. <https://doi.org/10.3390/su12145696>
- [14] Bisogno, M., Cuadrado-Ballesteros, B., Rossi, F. M., & Peña-Miguel, N. (2023). Sustainable development goals in public administrations: Enabling conditions in local governments. *International Review of Administrative Sciences*, 89(4), 1223–1242. <https://doi.org/10.1177/00208523221146458>
- [15] Endrikat, J., De Villiers, C., Guenther, T. W., & Guenther, E. M. (2021). Board characteristics and corporate social responsibility: A meta-analytic investigation. *Business & Society*, 60(8), 2099–2135. <https://doi.org/10.1177/0007650320930638>
- [16] Gevorgyan, S., & Baghdasaryan, K. (2021). Toward a Transhumanist Transformation of Human Labor Potential in the Context of Global Challenges. *Futurity Economics & Law*, 1(4), 36–45. <https://doi.org/10.57125/FEL.2021.12.25.05>
- [17] Trondal, J. (2021). Public administration sustainability and its organizational basis. *International Review of Administrative Sciences*, 87(2), 399–415. <https://doi.org/10.1177/0020852319869430>

- [18] Smith, B. C. (2023). *Decentralization: The territorial dimension of the state*. Routledge. <https://doi.org/10.4324/9781003404927>
- [19] Zgurska, O., Korchynska, O., Rubel, K., Kubiv, S., Tarasyuk, A., & Holovchenko, O. (2022). Digitalization of the national agro-industrial complex: new challenges, realities and prospects. *Financial and Credit Activity Problems of Theory and Practice*, 6(47), 388–399. <https://doi.org/10.55643/fcaptp.6.47.2022.3929>
- [20] Orel, Y., Kulinich, O., Smahliuk, A., Popov, A., & Rychka, R. (2024). Fostering resilient growth in local communities via governance strategies: key challenges and effective tools. *Archives des Sciences*, 74(3), 184–189. <https://doi.org/10.62227/as/74329>
- [21] Sánchez-Soriano, M., Arango-Ramírez, P. M., Pérez-López, E. I., & García-Montalvo, I. A. (2024). Inclusive governance: empowering communities and promoting social justice. *Frontiers in Political Science*, 6, 1478126. <https://doi.org/10.3389/fpos.2024.1478126>
- [22] Santarlacci, A. D. S., Angelo, H., Souza, Á. N. D., Lima, M. D. F. D. B., Joaquim, M. S., Miguel, E. P., & Carneiro, J. D. O. (2024). Benefit sharing governance framework: pathways for financial benefit sharing in traditional communities. *Sustainability*, 16(7), 2650. <https://doi.org/10.3390/su16072650>
- [23] Seshadri, P. (2024). The Role of Local Governments in Community Development: A PHGNomics Perspective. *LinkedIN*. <https://www.linkedin.com/pulse/role-local-governments-community-development-article-seshadri-tzwhc/>
- [24] Damastuti, E., & de Groot, R. (2019). Participatory ecosystem service mapping to enhance community-based mangrove rehabilitation and management in Demak, Indonesia. *Regional Environmental Change*, 19, 65–78. <https://doi.org/10.1007/s10113-018-1378-7>
- [25] ECPR (2014). Contemporary Local Self-Governance and Democracy – Challenges and Responses. <https://ecpr.eu/Events/Event/SectionDetails/266>
- [26] How multilevel governance can transform European cities (2024, December, 18). European Urban Initiative. <https://www.urban-initiative.eu/news/how-multilevel-governance-can-transform-european-cities>
- [27] Capik, P. (2019). *Regional Authorities Attracting Investors*. In: *Foreign Investment Promotion*. Palgrave Macmillan, Cham. [https://doi.org/10.1007/978-3-030-13658-1\\_4](https://doi.org/10.1007/978-3-030-13658-1_4)
- [28] Zhuk, I., Khaletska, A., & Stepura, T. (2022). Public Administration System in the Field of Finance Under the Influence of Digitalisation. *Economic Affairs (New Delhi)*, 67(3), 225–231. <https://doi.org/10.46852/0424-2513.3.2022.11>
- [29] Cheng, Z., Ding, B., Liu, T., & Wang, H. (2024). Exploring a Conceptual Framework of Spatial Governance for a Public–Private Partnership Response to Regional Uneven Development. *Journal of Urban Planning and Development*, 150(2), 05024007. <https://doi.org/10.1061/JUPDDM.UPENG-4738>
- [30] More than 90% of communities are developing or have already approved strategic development documents. (2024). *Ministry of Development of Communities, Territories and Infrastructure of Ukraine*. <https://mtu.gov.ua/news/35390.html>
- [31] Project SURGe. (2024). CLIR. <https://decentralization.ua/donors/surge>
- [32] Meuleman, L. (2021). Public Administration and Governance for the SDGs: Navigating between Change and Stability. *Sustainability*, 13(11). <https://doi.org/10.3390/su13115914>
- [33] Putera, P. B., Widianingsih, I., Ningrum, S., & Rianto, Y. (2023). Policy Dynamics in Contemporary Public Administration Studies: A Conceptual Analysis. *Public Policy and Administration*, 22(1). <https://doi.org/10.5755/j01.ppaa.22.1.31435>
- [34] Omri, M. A. B., Hamed-Sidhom, M., & Ben Mrad Douagi, F.W. (2022). Guest editorial: The integrated reporting and corporate social responsibility: a new trend. *Journal of Financial Reporting and Accounting*, 20(3/4), 385–388. <https://doi.org/10.1108/JFRA-09-2022-490>
- [35] Shabbir, M. S., & Wisdom, O. (2020). The relationship between corporate social responsibility, environmental investments and financial performance: evidence from manufacturing companies. *Environmental Science and Pollution Research*, 27(32), 39946–39957. <https://doi.org/10.1007/s11356-020-10217-0>
- [36] Golden, J., Sun, L., & Zhang, J. H. (2018). Corporate social responsibility and goodwill impairment. *Accounting and the Public Interest*, 18(1), 1–28. <https://doi.org/10.2308/apin-51971>
- [37] Klochan, V., Piliaiev, I., Sydorenko, T., Khomutenko, V., Solomko, A., & Tkachuk, A. (2021). Digital platforms as a tool for the transformation of strategic consulting in public administration. *Journal of Information Technology Management*, (13), 42–61. <https://doi.org/10.22059/JITM.2021.80736>

- [38] Shandryk, V., Zhebelev, I., Deliatynchuk, A., Maksymov, V., & Shelest, V. (2023). Modern concepts of public administration in the context of sustainable development. *Revista De Gestão E Secretariado (Management and Administrative Professional Review)*, 14(10), 17291–17313. <https://doi.org/10.7769/gesec.v14i10.2820>
- [39] Meier, D. (2023). The evolution of SDG-related third sector and public administration literature: an analysis and call for more SDG-related research. *Sustainability: Science, Practice and Policy*, 19(1). <https://doi.org/10.1080/15487733.2023.2236501>
- [40] Meseguer-Sánchez, V., Gálvez-Sánchez, F. J., López-Martínez, G., & Molina-Moreno, V. (2021). Corporate social responsibility and sustainability. A bibliometric analysis of their interrelations. *Sustainability*, 13(4), 1636. <https://doi.org/10.3390/su13041636>
- [41] Momen, M. N. (2020). Multi-stakeholder Partnerships in Public Policy. In: Leal Filho, W., Azul, A. M., Brandli, L., Lange Salvia, A., Wall, T. (Eds.), *Partnerships for the Goals. Encyclopedia of the UN Sustainable Development Goals*. Springer, Cham. [https://doi.org/10.1007/978-3-319-71067-9\\_50-1](https://doi.org/10.1007/978-3-319-71067-9_50-1)
- [42] Henjewe, C., Fewings, P., & D. Rwelamila, P. (2013). De-marginalising the public in PPP projects through multi-stakeholders management. *Journal of Financial Management of Property and Construction*, 18(3), 210–231. <https://doi.org/10.1108/JFMPC-05-2013-0021>
- [43] Decentralised cooperation to achieve the 2030 Agenda. (2018). Conference of Peripheral Maritime Regions (CPMR) & PLATFORMA. <https://www.local2030.org/library/586/Decentralised-cooperation-to-achieve-the-2030-Agenda-Towards-a-new-generation-of-multi-stakeholder-partnerships.pdf>

