

Conceptualization of Public Management by Realizing the Social Potential of Authority, Business, Community in the Conditions of Digitalization

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Abstract

In the article, features of public management in modern conditions are examined. Directions of realizing social potential of government, business and communities in the conditions of digitalization are determined. The main approaches to conceptualizing public management were identified, which made it possible to track the change in the public management paradigm. Based on the study of the theoretical basis of management, the main directions of its formation, development and updating of research were substantiated. The proposed conceptual model of public management by realizing social potential includes the goal, subject-object component, principles, methods, tools, tasks and components that allow increasing efficiency of public authority. Directions of activating interaction of public management with the public were proposed, which made it possible to determine effectiveness of this cooperation.

Keywords: Public Administration, Social Concept Of Public Administration, Social Potential, Social Security, Interaction “Government-Business-Community”, Digitalization, E-Government.

Introduction

Development of transformational processes in all spheres of social life requires new approaches to realization of social potential in its structure. Changing priorities and relevance of implementation of the social context in the sphere of business, government, and communities contributes to emergence of new conceptual principles in the management of these processes. Transformation changes not only management tools, but also the very interaction between the state, business, and communities. Today, public administration should be considered more thoroughly both as the vertical of power, and as horizontal network of cooperation between participants of the process, based on openness, transparency, and partnership. In modern conditions of turbulence in the external environment and crisis phenomena in middle-income countries, the public administration system is distinguished by complexity of social relations, growing expectations of government efficiency from citizens, and a new view of public administration as dynamic and complex system. These transformations determine relevance of the study, especially in today's conditions for

Ukraine, which is characterized by variability and uncertainty of social processes.

Literature review

Various aspects of the social concept development of public administration have been studied in the works of many scientists. The authors analyze theoretical and methodological foundations of public administration in the areas of social protection, consider development of public administration in the areas of implementation of socio-economic priorities taking into account international positions of Ukraine, within the framework of the European integration of the state, explore directions of public administration through modernization of social policy mechanisms within the framework of human development and socio-demographic processes, etc.

Chan Syafruddin et al. (2025), Oppokkhonov Nurmukhammadet al. (2024) assessed the city's resilience within the framework of business, government, and local community collaboration using the Torrens Institute for Sustainability framework, and also analyzed involvement of local community and government authorities in the tourism business development. The research by AmiqBachrul et al. (2024), Sukma N. et al. (2022) analyzed community challenges to the government regarding industrial business licenses and investigated specifics of improving and importance of e-government.

Urano Mariko et al. (2024), Marhasova V. et al. (2024) consider prospects and initiatives of transnational business management and global governments, analyze the role of digital technologies in ensuring national security.

DelannonNolywe et al. (2021), Meng L. (2021) study obstacles to corporate social responsibility, explore the role of government in shaping business, and analyze current trends in using the Internet of Things in supply chain risk management to ensure collaboration between business, community, and government. Adua Lazarus et al. (2019), Wahyudi, Septian et al. (2022) outlines the impact of business entities on economic development of communities, analyzes the government's policy of limited austerity, and reveals the role of state institutional support and social entrepreneurship.

Pyrozhenko V. (2020), Madyatmadja E.D. et al. (2019) investigated integration of social knowledge by the

government, and also analyzed citizens' attitudes towards the potential influence of the government, based on social networks. Jakubek P. et al. (2023), Derhaliuk M. et al. (2021) investigate managerial control in the system of ensuring economic security of private companies and state institutions, analyze the state policy of transforming regional development.

However, today issues of transformation of the spheres of public administration and social potential of business, communities and authorities remain unsolved, taking into account changes in global processes in the international arena. Taking into account thorough domestic scientific publications in the field of public administration, today, in the conditions of variability of the external environment and unfavorable security situation, the issue of realization of social potential in the conditions of digitalization needs to be expanded, which determines relevance of the chosen topic.

The purpose of the article is to study conceptualization of public administration by realization of social potential of authorities, business, communities in the conditions of digitalization.

Results

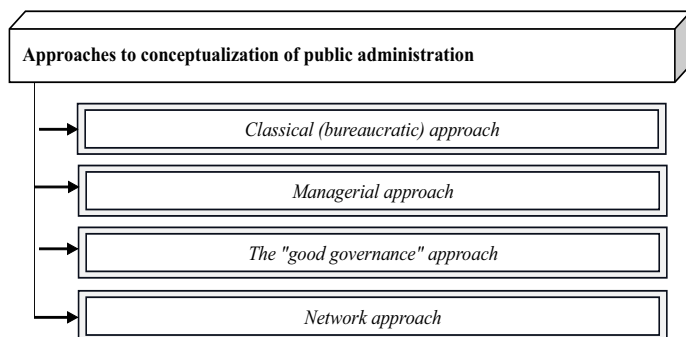
Modern transformations and development of digital technologies make their adjustments not only to economic and social processes, but also to the public administration sphere. To form a new mechanism for implementing public administration, the first priority stage is formation of a new concept for realization of the social potential of government, business and communities. In general, conceptualization of public administration is a process of forming and systematizing theoretical ideas about the content, principles and functions of the mechanism for implementing a new paradigm of socio-political environment.

Public administration should be considered as activities of subjects of power and state authorities (at different levels) and non-governmental organizations in formation, implementation and monitoring of public policy in matters of implementing the set goals of the state development. In the context of formation of new government policy, public administration must meet requirements of openness, transparency, accountability and public participation in decision-making and control of government. Compliance

with these criteria will allow balancing interests of different social groups, which has positive effect on social stability in the state.

In scientific literature, the following approaches to conceptualizing public administration are most often used (Fig. 1).

Figure 1. Main approaches to conceptualizing public administration



Source: summarized by the authors based on Keeling D. (2018), Kickert W.J.M. et al. (1997), Osborne D. et al. (1992), UNDP (1997), Weber M. (1978).

The classical approach, or as it is also called “bureaucratic” was based on ideas of M. Weber regarding rational bureaucracy as the basis of effective management. In this aspect, public administration was considered as a system that functions based on formal procedures, clearly distributed competencies and professionalism of civil servants. With development of the management system, the ineffectiveness of the bureaucratic approach was substantiated, which influenced emergence of the managerial approach, which was formed in the period 1980-1990-ies. According to this approach, the emphasis shifted towards efficiency and introduction of market mechanisms, according to which there was orientation towards consumers of public services. During this period, the role of the state changed from monopoly management to coordinator and regulator of social processes.

The next stage of “good governance” is aimed at developing democracy, balanced development, and involving citizens in public relations. At this stage, distribution of power between business, communities, and society is carried out. Modern development of public administration is formed based on the network approach, which reflects global management trends, which are

implemented through networks of interaction between numerous participants with different resource capabilities, powers, and interests. At the same time, management decisions are made within horizontal ties, often outside formal institutions.

An important aspect of effective management of implementation of the social potential of government, communities, and business is formation of the interaction concept at the public level (Fig. 2). The tasks of this conceptualization include:

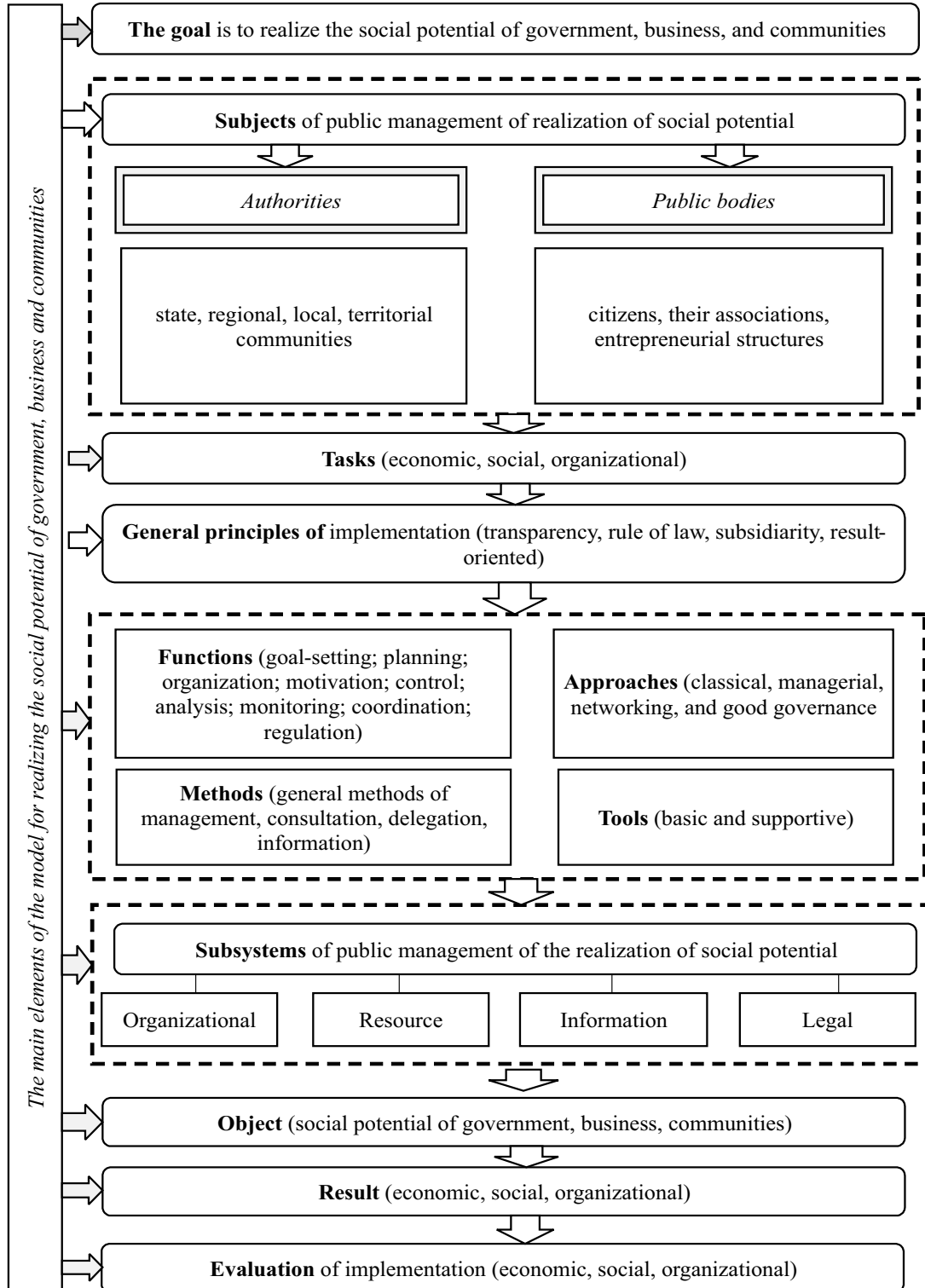
building trust between government structures and society; effective participation of citizens in decision-making; involving initiatives in solving urgent state problems; improving quality of public administration based on introduction of public control; creation of appropriate conditions for self-realization of citizens in the sphere of public administration of various levels.

The purpose of forming this conceptual model is realization of the social potential of government, business, communities in the conditions of digitalization. The subjects of public administration through realization of social potential are authorities of various levels and public bodies. The sphere of public administration at all levels (state, regional, local self-government) should be attributed to authorities. Public bodies are represented, first of all, by citizens and their various associations, business structures. It is effective interaction between authorities and citizens that contributes to implementation of the state policy in the areas of socio-economic development of territories and the country as a whole.

Depending on various aspects of public administration activities in realization of social potential, administrative models are distinguished (initiated by authorities), public - at initiative of the public and their associations, dualistic - initiation from both sides. In this aspect, the following forms of these relationships are distinguished:

- mutual information on urgent issues;
- active public participation in solving community problems;
- delegation of powers to civil initiatives, activation of public control over transparency of government decisions.

Figure 2. Conceptual model of public management of realization of the social potential of government, business, communities



Source: formed by the authors

In general, these initiatives allow for more rational and balanced implementation of policies regarding effectiveness of public administration activities, and rapid response to the needs of community residents. This close cooperation increases trust in authorities, forms positive image of public administration and communities, respectively.

Cartographic analysis (Fig. 3) shows that the leading positions among EU countries in terms of the e-government development are Malta, Estonia, Luxembourg, Iceland, Finland, Lithuania, Denmark, the Netherlands and Latvia (85 points).

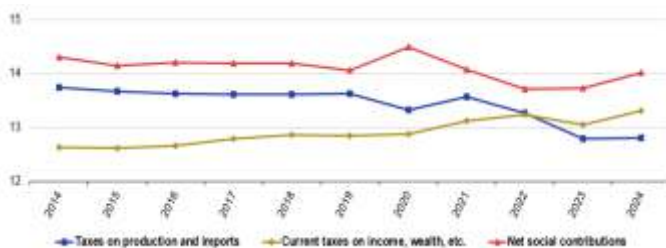
Figure3. Cartographic analysis of the e-government development in EU countries, 2022-2023



Source:European Commission (2024).

It is worth noting that social contributions are one of the main government revenues. According to statistics, in 2024, net revenues from social contributions in the EU amounted to 14.0% of GDP, showing an upward trend compared to 2023 (Fig. 4).

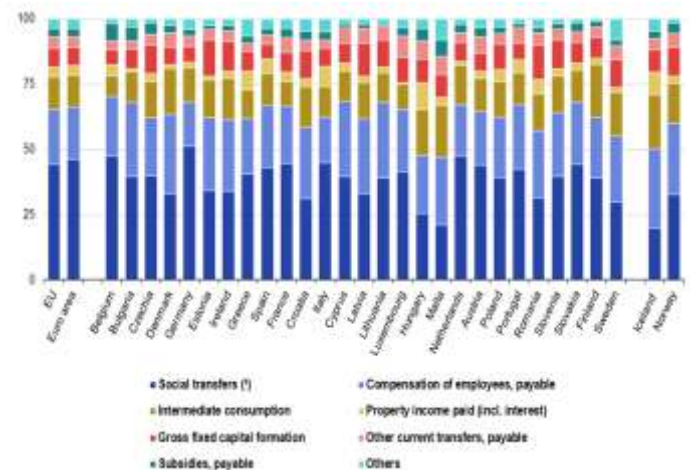
Figure 4. Main categories of taxes and social contributions, EU, 2014–2024(% of GDP)



Source:European Commission (2024a).

Considering the GDP ratio, net social contributions show relatively stable dynamics. Thus, in 2014 - 14.3% of GDP, in 2019 - 14.1% of GDP, in 2020 - 14.5% of GDP. A slight decline is observed in the period 2021-2023 and is characterized by a decrease to 13.7% of GDP (Fig. 5).

Figure 5. Main components of government expenditure, 2024 (% of total expenditure)



Source:European Commission (2024b).

Formation of the conceptual support model for public management of realization of social potential is implemented based on general principles, which are represented by areas of transparency (characterizes openness of information about activities of authorities at various levels and provides access to this information for the public).

The principle of the rule of law is based on strict adherence to the rule of law by all parties to the interaction.

The principle of subsidiarity provides for transfer of powers to lower effective management level, which increases participation of citizens in making decisions regarding functioning of territories.

The principle of result orientation characterizes achievement of specific goals of this cooperation between all participants in the process, which have the common value.

The main functions of public management of realization of

social potential include goal-setting, which is expressed in definition and justification of strategic goals of public management in interests of society. The main characteristics of this function include result orientation, systematicity, integration of interests, predictability and flexibility, which are currently key to ensuring effective interaction between participants in the process.

The planning function determines direction of development of the social potential of communities and authorities of various levels, in matters of strategic vision of changes in the social sphere, formulation of goals and objectives, development programs. In the direction of social potential, public opinion is taken into account regarding solution of urgent needs and objectivity of using resource capacity of territories.

The organization function ensures implementation of planned decisions by distributing powers, identifying responsible persons, forming directions of interaction between authorities, public institutions, which contributes to development and enrichment of human capital.

Motivation as a function of managing implementation of social potential consists in creating incentives for active participation of citizens in the life of communities, promoting self-employment of the population, which positively affects economic state of territories, which is especially relevant in current economic and security crisis in the country. It should be noted that motivational incentives should work not only in the direction of activating public initiatives, but also in the direction of improving the work of civil servants in terms of the quality of service provision.

An important aspect is implementation of the control function, which consists in constant monitoring of implementation of planned activities and strategies, assessment of efficient use of resources, compliance with norms, deadlines, and standards. The control function is implemented through transparency, publicity based on public mechanisms, which allows for timely monitoring of changes in planned indicators, and timely response to risks and threats.

The function of analysis in public administration includes the study of socio-economic state of territories, determines

needs of the population, determines effective management decisions. Through the analysis, an objective understanding of the state of affairs, identified trends, problems and reserves for their solution is formed. It is the basis for making management decisions, which minimizes errors and contributes to adaptability of state policy.

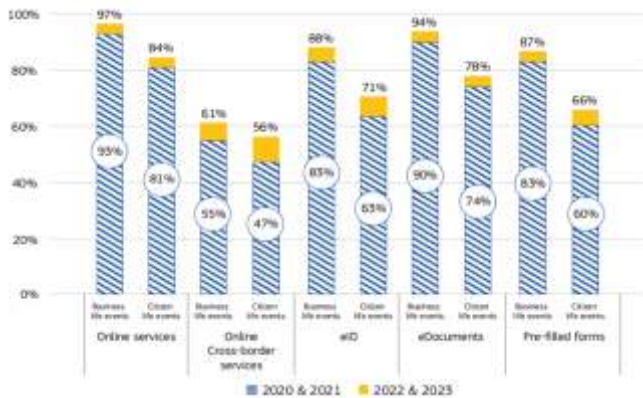
The monitoring function provides for constant, continuous monitoring of implementation of programs and strategies in the social potential. Providing operational information on the status of plan implementation allows for timely detection of deviations, and involving the public in assessing results of the work of government bodies.

Coordination ensures coherence of various actions of subjects that form social potential (government bodies of various levels, the public, social institutions). The regulatory function is aimed at determining regulatory, institutional, organizational directions of social security. This function is implemented both through influence of the state and by creating favorable conditions for the self-organization of communities. This function balances influence of the state and independence of communities, which forms favorable social environment.

Implementation of the above-mentioned conceptual provisions is carried out through tools that contribute to realization of social potential based on implementation of platforms (e-government), the Diya portal. Development of digital technologies simplifies the procedure for accessing public services among the population, which allows not only to use services, but also to effectively control activities of government bodies by the public.

Cooperation between authorities and communities is also reflected in provision of public services. Online availability of services plays an extremely important role. Statistical data show that 97% of business services were online, 84% of online services were aimed at satisfying citizens' requests. It is worth noting that the percentage of services provided online to citizens who are in other countries almost reached indicators of providing services for businesses, which proves significant contribution to the establishment of state-business-community cooperation (Fig. 6).

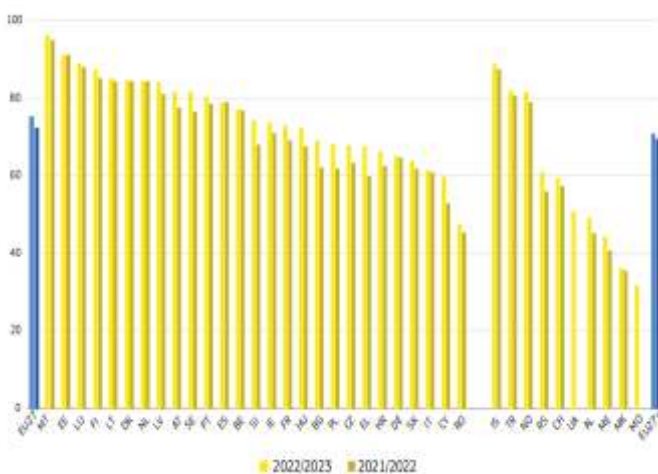
Figure 6. Trends in accessibility of online government services, 2020/2021, 2022/2023



Source: Department of Economic and Social Affairs. (2024)

If we analyze development of EU countries in the direction of e-government for the period 2020-2024, we should note significant improvement in indicators in such countries as: Greece (+16 points), Poland (+14 points) and Cyprus A (+10 points), Serbia B (+13 points) and Turkey (+11 points). Sweden, having high indicators, also does not stop there and is constantly developing the quality of digital service provision, which keeps it in high positions in the rating (Fig. 7).

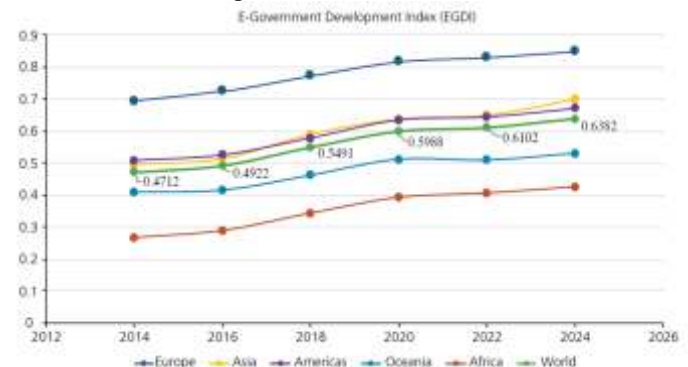
Figure 7. E-government performance indicators 2022/2023, 2021/2022



Source: Department of Economic and Social Affairs. (2024)

The comparative analysis of the world average EGDI (e-government development index) shows the increase from 0.6102 to 0.6382, which proves importance and necessity of providing quality online services (Fig. 8).

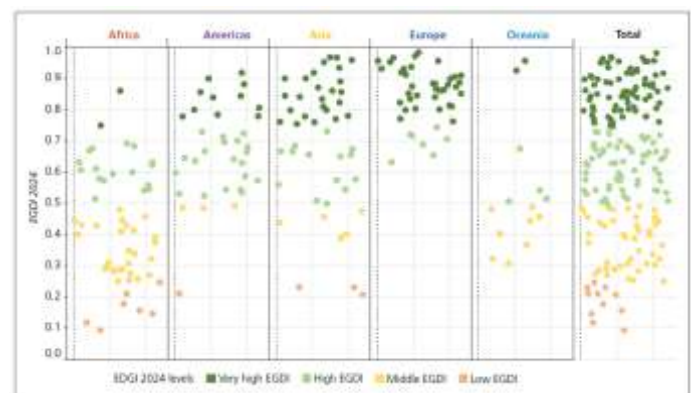
Figure 8. Dynamics of the e-government development index, 2014-2024



Source: Department of Economic and Social Affairs. (2024)

The value of the e-Government Development Index (EGDI) is an important tool that allows us to assess the digital divide between different regions. Small range of the EGDI demonstrates similar levels of digital development in countries, while large range indicates significant differences in levels of digital development between countries. The analysis conducted allows us to identify not only relevant bottlenecks, but also to explore features of integration of digital technologies into management systems in different countries. It is important to note that the outlined analysis makes it possible to form the policy for development of digital technologies and contributes to equalization of development levels on the global scale, which is an important aspect of digital development (Fig. 9).

Figure9. Regional overview by EGDI level, 2024



Source: Department of Economic and Social Affairs. (2024)

Legal influence tools (submission of requests, appeals, complaints) allow to receive feedback between branches of government and improve their work due to this interaction.

The main subsystems of implementation of social potential were attributed to the organizational one, which is responsible for formalization of relations between authorities and the public in implementing their development directions. The resource subsystem forms the basis of resource potential, which is the basis of effective public administration due to the accumulation of personnel, financial, economic, technical resources. The information component plays a key role in shaping interaction of the public and the state based on digital solutions (communication, information support, software). The legal subsystem creates conditions for the legality of performance of functions of all participants in the process.

The object of research in this aspect is the social potential of government, business and communities. Effectiveness of above-mentioned conceptual provisions is expressed in economic, social and organizational effects. Economic effectiveness characterizes profitability and efficiency of implementation of state development strategies both within the country and in the territories. For the population, an important indicator is the well-being of the population, which is expressed through purchasing power. Increasing the well-being of the population has positive effect on the social component, which forms a demographic portrait of residents, reduces social tension in society, and forms favorable brand of public authorities. The organizational result is expressed in distribution of powers, tasks, and feedback, thereby forming public support for the government, which affects stability of these authorities in the long term.

Assessment is also expressed in terms of the same components as the result, since it is the expression of effective measures taken.

In modern conditions of development of public relations, interaction of public administration and public initiatives is implemented through public-private partnerships, grant support for initiatives, e-government, and public consultations. The main strategic directions of public administration for realization of social potential include:

1. Institutional changes aimed at creating new organizational forms of interaction between all participants in the process (government, business, citizens).
2. Digital participation platforms, which are the platform for involving citizens through electronic petitions, open budgets, etc.
3. Partnership and cooperation based on formation of public-private partnerships, which is currently one of effective tools for this interaction, as it can expand the circle of participants in the process.
4. Inclusivity, which provides access to digital tools and government services, equally for all groups of the population.

It is advisable to expand improvement of realization of social potential by following measures of interaction between participants in the process: formation of platforms and platforms for interaction between the public and authorities on issues of organizational and motivational support of the population. Improvement of information provision of the population on regional development problems and ways to solve them, which increases involvement of citizens in making management decisions. Informing the population about the status of implementation of strategies and plans for development of territories, support for public initiatives.

Conclusions

Thus, public management of implementation of the social potential of government, communities and business aims to improve interaction of authorities at various levels with the population. It is the activation of this cooperation that allows you to increase the rating of the public administration sector, increase trust among the population, which has positive effect on the image of the territory.

Effective interaction between authorities and the public leads to improved well-being of the population, reduced social tension in communities, and reduced unemployment by supporting self-employment initiatives.

Today, development of digitalization contributes to introduction of new technologies into all spheres of public life, including public administration. Thus, introduction of

e-government, the Diya platform, significantly simplifies access to public services for all citizens, which reduces the burden on the administrative apparatus and speeds up the receipt of services.

Implementation of the specified services can be carried out by implementing the conceptual model of public management of implementation of the social potential of government, business, and communities.

This conceptual model includes the subject-object component, principles, methods, measures, tools for achieving the set goal. An important aspect of implementation of the above concept is isolation of subsystems for implementation of social potential (organizational, resource, informational and legal). The study of theoretical provisions on conceptualization of public management by implementation of the social potential of government, business and communities allowed to form the main strategic directions of these processes. These isolated directions are aimed at improving interaction of all participants in using digital solutions.

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