

# **Organizational Review of Zaporizhzhia Oblast State Administration**

## **Executive Summary**

Today, governments around the world are increasingly using quality-based and strategic management approaches to governance. Strategic management is considered to be a key tool for supporting and stimulating development of the regions. Accordingly, Zaporizhzhia Oblast State Administration (ZOSA) has taken on the main responsibility for managing the implementation of Zaporizhzhia Regional Development Strategy. However, with this new responsibility, ZOSA is also facing the challenge of incorporating the new strategic management approach within its traditional operating structure and processes and also a lack of additional human and financial resources to fulfill the new role.

The Organizational Review of Zaporizhzhia Oblast State Administration was conducted by the Canada-Ukraine Partnership Project for Regional Governance and Development (RGD) upon request from ZOSA. The RGD Project is implemented by the Canadian Urban Institute in association with the Foundation for International Training (Canada) and the National Association of Regional Development Agencies (Ukraine) and supported by funding from the Canadian International Development Agency.

The objective of the Organizational Review was to analyze the existing organizational structure and operations of the ZOSA and to provide practical recommendations with regard to the types of activities that should be undertaken as a priority in order increase the organizational capacity of the ZOSA to manage the Regional Development Strategy implementation process. The review examined the key units within each of the six departments of ZOSA and of one of the regional representative bodies of state authority. The operations of the Main Department of Economy of ZOSA were analyzed in more detail, as the majority of responsibilities for strategic planning and implementation are currently concentrated in this department.

The review was conducted by analyzing the documents flow in ZOSA and the Main Department of Economy according to several criteria, such as type and functional purpose of the document, processing time, level and methodology, etc., and by surveying ZOSA staff about various operational issues. The questionnaires used in the survey allowed the staff to express their opinions anonymously from different perspectives i.e. as members of a team, as participants of certain processes, etc. Advanced methodology for analyzing sample documents was used in order to validate the conclusions.

Based on the conducted analysis, the Organizational Review report identifies opportunities to increase the effectiveness of ZOSA operations in order to free up time for managing strategy implementation. In particular, it argues that time can be saved in activities related to document flow, currently the most time-intensive activities undertaken by ZOSA staff, by introducing modern IT technologies into these processes. However, the authors observe that introduction of an IT system would also require changing and re-designing the current document processing/circulation procedures. Hence, any new IT platform introduced would need to be based on effective management principles.

Additionally, based on an analysis of the existing capabilities and skills of ZOSA staff, the report identifies opportunities to make improvements with regard to the prioritization of the incoming documentation; staff input in introducing improvement in the functional activities of ZOSA; and the participation of staff in strategy implementation processes after receiving additional training. The interviews further revealed that ZOSA staff are confident that time savings in the functional tasks can be achieved, without affecting the quality of the results; that there is a general perception among ZOSA staff that activities related to implementation of strategic tasks are a separate type of activity that should be implemented by a separate organizational unit; and that it is commonly agreed that the annual professional development activities play an important role in improving the professional competitive advantages of ZOSA staff.

The Organizational Review demonstrates the need for changing the approach to regional governance, both at the leadership level, and in terms of operations management of Zaporizhzhia Oblast State Administration. In order to support this approach, the report provides the following **recommendations**:

- Organizing and managing OSA operations by aligning them with the strategic tasks.
- Establishing an independent unit responsible for managing the Regional Strategy implementation, which would be accountable directly to the Head of the Oblast State Administration.
- Developing a pilot project for implementing an IT operations support system for the Main Department of Economics, and to explore the feasibility of implementing this system within other departments of the OSA.
- Developing a system for collecting and processing the same type of information from the Rayon State Administrations.