

## **The Aspects of Improving Management System of the Ownership Risk in the Conditions of Transformation of Economy of Russia**

Khachatryan and V. Mikhail

Department of Management of the Prue, Plekhanov Russian University of Economics,  
Stremyanny Lane 36, 117997 Moscow, Russian Federation

**Abstract:** The study analyzes problems of improving the management systems of the ownership risks in the conditions of transformation of the Russian economy. The logic of the present stage of development of the Russian economy shows that a key element in determining the ability of the system of management of the organization to generate value for the company owners and the consumers of its products is the risk management system. However, the problem of formation and improvement of risk management system in modern conditions is relevant not only for top managers and owners of private companies but also for the highest levels of management of the national economy. It should be noted that the theoretical discussion of the need to improve management of ownership risks and implement measures to address this issue are a reflection of the lack of effective relationship between management science and management practice both at the level of private companies and the state level. On the one hand, in conditions of falling prices on traditional Russian export of group of goods and economic sanctions there is a functional and political need for the support and development of mechanisms of economic control and management. It is obvious that the economic situation is such that the main types of ownership risks inherent in the frequent company and the national economy needs an efficient and timely identified, edited and managed. Thus, we can conclude that the system of management of ownership risks in the current context aims to organize what could not be organized within the framework of the hitherto regular management system. Systems development management the ownership of risk is the key to successful implementation of both private and public projects in the innovation sphere. While this development not only makes new demands for liability of owners and top-managers for the decisions that need to be implemented in previously potentially unsolvable situations but also creates new ways of assessing the effectiveness of those decisions. New models of analysis, evaluation, organization, regulation and risk management are in the process of functioning of the organizations and entrepreneurs, business consultants and firms providing professional services. These entities control, directly and indirectly, create new templates management ownership of risks as they have a broad range of research practices, the emergence of various kinds of business threats that allows them to redefine the strategic importance and value of formation and development of control systems owner's risk. At present, it is clear that a key task of development of systems management the ownership of risk is not only the analysis and prevention of potential threats of functioning of the organization but also the formation of formation of mechanisms to reduce uncertainty in external and internal environment of the organization. Another challenge to the system development management ownership is a risk of increasing the efficiency of formation and perfection of the architecture of management systems organization and responsibility of top managers for the results of their activities.

**Key words:** Aspects, improving, ownership risks, problem, Russia

---

### **INTRODUCTION**

The logic of the present stage of development of the Russian economy shows that a key element in determining the ability of the system of management of the organization to generate value for the company owners and the consumers of its products is the risk

management system. However, the problem of formation and improvement of risk management system in modern conditions is relevant not only for top managers and owners of private companies but also for the highest levels of management of the national economy.

It should be noted that the theoretical discussion of the need to improve management of ownership risks and

implement measures to address this issue are a reflection of the lack of effective relationship between management science and management practice both at the level of private companies and the state level. On the one hand, in conditions of falling prices on traditional Russian export of group of goods and economic sanctions there is a functional and political need for the support and development of mechanisms of economic control and management. It is obvious that the economic situation is such that the main types of ownership risks inherent in the frequent company and the national economy needs an efficient and timely identified, edited and managed.

On the other hand, these factors have a major influence on the stable functioning of Russian companies of all ownership forms, representing various sectors of the economy, creating conditions under which the instability of an enterprise of a sector may lead to negative consequences for other sectors of the economy creating a consistent stream of failures, scandals and disasters that can lead to the collapse of the organizational-economic mechanism of management of national economies in the absence of understanding about the nature of risks and threats and management both from the top managers and owners of companies and bodies of public administration.

Thus, we can conclude that the system of management of ownership risks in the current context aims to organize what could not be organized within the framework of the hitherto regular management system. Systems development management the ownership of risk is the key to successful implementation of both private and public projects in the innovation sphere. While this development not only makes new demands for liability of owners and top-managers for the decisions that need to be implemented in previously potentially unsolvable situations but also creates new ways of assessing the effectiveness of those decisions.

**Literature review:** Today there is an obvious trend where companies that were traditionally assumed risks on behalf of the public such as insurance companies, hedge funds, financial corporations, prefer to include social risks as part of their internal control system owner's risk.

According to the researcher, this process indicates a gradual transition from management of ownership risks is based on effective enough but in modern conditions of vulnerable division of mechanisms of management of own risks and specific risks of the client to the merger of these two tools into a single risk management system owner and the client organization.

In a modern world have transformed and the risk management system at the national level. The development of the risk management system of economic security of Russia in modern conditions is of crucial

importance for the maintenance of stability of economic systems and transition to economic growth. Federal and regional governments need to solve the threefold task the prevention, control and redistribution of risks. It should be noted that without solution of this problem is impossible to speak as about the formation of an effective system of possessory management organizations and improving the system of state management of the economy.

## **MATERIALS AND METHODS**

It is important to stress, management the ownership of risk is for business development is much more important than just a mechanism for technical and analytical assessments of the challenges and threats that accompany the life cycle of the organization. Today the system of risk management ownership also serves as the embodiment of the key values and ideals of governance in General and not least the values and ideals of accountability and responsibility. Historically, the main purpose of the policy development and implementation organizations in the management of ownership risks was to ensure transparency and accountability of scientific expertise decisions about the acceptability level of those or other risks.

However, in the late 20th century the first third of the 21st century the necessity of formation and development of management systems, ownership of risk is increasingly a significant portion and at certain periods it becomes the defining element in several processes of possessory management of leading multinational companies. Thus, the mechanisms of analysis, evaluation and risk management, until now had traditionally technical importance to achieve the goals of the organization in the conditions of economic instability has become a key element of the system owner's management organization and state regulation of the economy.

Evidence of this transformation of the role of management systems, ownership of risk is an increased amount of scientific research in this area, the results of which were published in the last 25 years (Hunt, 2013; Maslennikov and Kalinina, 2015).

Comprehensive scientific analysis of these works, in the researcher's opinion, can be a significant landmark in the development of management systems risk owner, meets the needs of the present stage of development of the Russian economy. Particularly promising in scientific terms is the study of the practice of formation and functioning of various standardized organizational forms of management of ownership risks such as the risk committees, growing in organizational structures as leading private companies and in public administration.

Noting the role and importance of management systems possessory risk, it should be emphasized that in contrast to the exaltation of scientific and practical significance of the audit that took place in the 80's of 20th century, the main initiator of this process was not governments but today they are increasingly interested in expanding the scope of application of these systems.

New models of analysis, evaluation, organization, regulation and risk management are in the process of functioning of the organizations and entrepreneurs, business consultants and firms providing professional services. These entities control, directly and indirectly, create new templates management ownership of risks as they have a broad range of research practices, the emergence of various kinds of business threats that allows them to redefine the strategic importance and value of formation and development of control systems owner's risk.

## **RESULTS AND DISCUSSION**

**Results of research:** At present, it is clear that a key task of development of systems management the ownership of risk is not only the analysis and prevention of potential threats of functioning of the organization but also the formation of formation of mechanisms to reduce uncertainty in external and internal environment of the organization. Another challenge to the system development management ownership is a risk of increasing the efficiency of formation and perfection of the architecture of management systems organization and responsibility of top managers for the results of their activities.

The currently happening transformation of models of management of ownership risks entailed changes in the mechanisms of risk transfer which are of particular importance in the risk communication. It is obvious that the main source of formation and development of the trend are technological changes in information systems, greatly expanding the management capabilities of owner risk (Hanley, 2013).

The economic instability of recent years is also a catalyst for the emergence of new concepts of risk management ownership, representing the synergistic joining in one of the models of these traditionally shared areas as risk management and economic security, insurance and project management (Hanley, 2014).

In the researcher's opinion, in modern conditions even the mechanisms of ensuring national security and ideas of preventive military action should be analyzed and evaluated in accordance with the conceptual architecture of risk management.

The concept of "risk" is becoming more and more the value of the determinant as in the systems of the ownership of management of the organization and management of the economy (Larkin, 2012).

It is important to note that, since the mid 90s of 20th century in foreign economic science and practice there was a tendency for inclusion of costs of owner in the creation and development of the risk management system of the organization in the cost of the final product, in both the private and public sectors. However, today it is clear that the basic purpose of development of control systems risk owner is to ensure the effectiveness of the end result of the company's activities and the productivity growth of staff and therefore, the constant increasing value of the enterprise for the owner by creating and increasing value for the consumer.

In the private sector, this tendency is reflected in the efforts of the owners and top managers to link the volume of capital investments of the organization with the strategic goals of the organization and creating value for the consumer in the framework of unified ownership of management based on ERM systems.

In the public sector the concept of "risk" included the ability to respond effectively to the consumer, therefore risk management in this field becomes the basis for complex self-management practices, the development potential of which is only due to political and economic expediency, not the actions of competitive forces.

On the other hand, the specific functioning of the public sector is characterized by the fact that such fundamental concepts of the private sector as the cost, integration and innovation are not perceived as factors of development and the creation of new values for the owner, in this case the state and the consumer and as trends resulting in an increase in potential threats and risks.

However, in modern conditions the system of management ownership risk management in both the public and private sectors have increasingly become part of a new identity and a determinant of the level of responsibility for the sustainable development of both owners and top managers. This is one of the main advantages of transformation of the role of control systems owner's risk.

It is obvious that the growth of theoretical and practical significance of risk management systems due primarily to the fact that more and more events and processes taking place in Russian and world economies, may be regarded and described as a potential threat and risk functioning systems of the ownership of management of organizations of all forms of ownership, however, the

content of these factors, the scale of their impact on business processes and tools of analysis, evaluation and regulation remain to date poorly studied (Lam, 2013).

Special attention in the transformation of the Russian economy deserve two aspects of system development management ownership risk that has received fairly wide circulation in the foreign management science and practice, namely: the formation of the managing owner's risk of mechanisms of public relations and analysis of business processes.

In Russian and foreign management science occupy a significant place in the studies on perception of risk. According to these studies, the reactions and actions of people in situations of crisis manifest themselves in different ways depending on their own views and understanding of risk. At present, it is clear that the refusal to take into account socio-psychological aspects in the process of research management systems of the ownership risks greatly impoverishes their scientific and practical value.

It should be noted that Western scholars pay to these aspects much attention. So, the British Royal Society has published several scientific reports devoted to the problems of risk management, in which in detail explores the problem of synthesis of the socio-economic concepts of risk analysis and socio-psychological analysis of perception of risk. The 16 Not less than detailing this issue and investigate in the scientific circles of the USA.

The researcher considers it necessary to note that in Russian managerial science, these problems are increasingly scientific understanding which obviously contribute to external and internal socio-economic circumstances.

In the context of economic transformation an important aspect of system development management ownership risk is the presence of effective mechanisms of interaction with stakeholders and involve them in the process of its functioning.

The need for modernization of management systems, ownership, teaching arise from internal and external causes has a stimulating effect on the process of decision making about the integration into the data system of mechanisms and risk management instruments as at the state level and at the level of private companies. In this regard, the study of the problems of application of mechanisms of risk management as a mechanism of evaluation, analysis and to meet social expectations and avoid potential threats of particular importance.

Thus, we can conclude that the current stage of development of systems management ownership of risk marked by increased role of social and psychological

aspects of analysis, evaluation and risk management. For example, in Western management practices the problems associated with recording and analysis communication of risk is increasingly reflected in the guiding documents not only private companies but also public authorities (Hood and Jones, 2014).

The main task of the state in modern conditions is the integration of risk management systems at the national level and systems management ownership risk, operating at the level of organizations.

It should be noted that Western researchers and practitioners have reached in this process considerable success, in the UK at the level of government regulations, providing guidelines on risk management that should the heads of public authorities. One of the key advantages of these instruments is the presence of mechanisms to ensure the connection between public policy in the field of risk management and the development programs of educational and cultural spheres, the main purpose of which is "improving the training of risk managers" (Hood and Jones, 2014).

It is obvious that implementing such programs will improve the effectiveness of state action in the identification, analysis, assessment and management of new types of risks at the stage of their nucleation and also creates conditions for the formation of a new model of public administration. On the other hand, these programs will allow to create conditions for the development of systems of risk management ownership as of the major organizations owned by the state and organizations under the control of private capital.

The researcher considers it necessary to note that this practice provided comprehensive analysis and evaluation, can be realized in conditions of the Russian economy.

In the conditions of economic instability when the identification, analysis, assessment and management of ownership risks are becoming of special importance for state enterprises and for the enterprises that are under the control of private capital, the obvious is the necessity of transformation of the role of governments in the risk management process.

Russian and Western researchers believe that the necessary condition of increase of efficiency of activity of state to reduce the uncertainty of the market economy is the analysis and account in this process position of the society (Hunt, 2013; Maslennikov and Kalinina, 2015). It should be noted that in many Western countries often resort to the use of sociological research not only in the evaluation process has already resulted in the upgrading of public policy measures and future actions aimed at increasing the legitimacy of regulatory activity and take decisions.

Thus, we can conclude that the use of mechanisms of the communication strategy as a preventive risk management framework both at the state level and at the level of the ownership of management of the organization on the one hand allows to improve the quality of managing the secondary or reputational risks and to improve mechanisms for the identification, analysis, assessment and management of the main types of ownership risks.

The changing role of the state in the system of risk management ownership creates additional opportunities for analysis and evaluation of public expectations related to improving the quality of public services and public administration projects (Maslennikov and Kalinina, 2015). However, often between these expectations and actual performance, there is a gap which is a source of reputational losses and ultimately political risk for government and its civil administration.

Therefore, one of the state tasks in the development of the control system of the ownership risk is the formation of organs and mechanisms to develop a strategy in the field of reputation management for both public administration bodies and private owners.

This task becomes especially urgent in modern conditions when it is obvious that the management of risk ownership at the state level may be more effective and more stable if it is based on the interaction with control systems owners risk organizations. Implementation of the model, based on the concentration of controlling functions of the state in achieving not only the objectives of efficient governance but also to achieve the public purposes of the functioning of the organization will create the conditions under which owners may be exempt from the need to address primarily economic and organizational problems and can focus on overseeing the design, analysis and assessment of the functioning of local systems of management of ownership risks.

## **CONCLUSION**

It is important to note that the Russian and world science, management formulated a variety of specialized definition and classification of risks in general and in particular the owner's risk. A key disadvantage of these definitions and classifications, according to the researcher is that they reflect the specific institutional interests of particular fields of management science. For example, in the framework of economic security risk management models identified risks and threats on the other hand the analysis of financial and other types of economic risks we are talking about positive or negative volatility of expected results. However, this uncertainty and ambiguity

of interpretations of the concept of "risk" in terms of the development of management science is a necessary element of the analysis, assessment and management of its impact on the organization as a whole and its individual business processes.

Thus, we can conclude that the development of the owner's risk management response to the question "What is the risk?" is less important than the answer to the question: "What is the reason of this risk and what are the social and economic institutions, methods and mechanisms will allow us to analyze, evaluate this knowledge and create on its basis a series of measures to manage this risk?"

Modern socio-economic system can be characterized as a "risk economy" in which the role of owner and manager as the subject of risk management is transformed into the role of the object of risk management whose actions and decisions generates threats and risks to the organization. Despite the problems with understanding this statement it is obvious that the transformation of the role of the owner in the risk management system is primarily due to the necessity of formation and development of architecture business process analysis, assessment and management of key risks of the organization.

In the development and implementation of such an architecture business owner and top managers, it is important to consider not only the main types of industry and economic risks in management science called primary but also so-called "secondary" reputational risks purchasing today is much more important.

The researcher considers it necessary to note that this trend requires owners and top managers form a new complex of knowledge, abilities and skills whose role in the system owner's management today is becoming no less important than those of knowledge, abilities and skills in the management of primary risks. It is obvious that the secondary risks have a much greater degree of uncertainty which greatly complicates the formation of an effective system of management.

## **REFERENCES**

- Hanley, M., 2013. *Integrated Risk Management*. FT Publishing, London, England, UK.,.
- Hanley, M., 2014. *Economist Intelligence Unit, Enterprise Risk Management-Implementing New Solutions*. Economist Publisher, London, England.,.
- Hood, C. and D. Jones, 2014. *Accident and Design: Contemporary Debates in Risk Management*. UCL Press, London, England.,.

- Hunt, B., 2013. *The Timid Corporation: Why Business is Terrified of Taking Risk*. John Wiley, London, England.
- Lam, J., 2013. *Enterprise Risk Management-from Incentives to Controls*. John Wiley, London, England.
- Larkin, J., 2012. *Strategic Reputation Risk Management*. Palgrave Macmillan, London, England.
- Maslennikov, V.V. and I.A. Kalinina, 2015. Analysis of satisfaction of consumers of public services. *Intl. Bus. Manage.*, 9: 1141-1146.