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## Institutionalization of Strategic Management in Local Self-Government Bodies: Inter-level Interaction and Managerial Accountability

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### ABSTRACT

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The article examines the institutionalization of strategic management in local self-government bodies under conditions of decentralization, wartime challenges, digital transformation, and the growing need for coordinated inter-level interaction. The purpose of the study is to identify the specific features of implementing a strategic management system at the local level and to substantiate mechanisms for distributing managerial accountability among public administration actors. Methods and materials. The methodological basis of the research includes systemic, structural-functional and comparative analysis, as well as methods of generalization and synthesis. These methods made it possible to consider strategic management as a comprehensive instrument for coordinating goals, resources, powers and outcomes of territorial development. It is established that strategic management in local self-government bodies is transforming from formal planning into a mechanism of multi-level governance that combines strategic planning, forecasting, monitoring, performance evaluation, risk management and strategy adjustment. The main forms of inter-level interaction are identified, including coordination of strategic documents, joint financing of development programs, intermunicipal cooperation, digital management systems, consultation mechanisms, and partnership projects between the state and territorial communities. The study reveals key problems of accountability, including unclear distribution of powers, formal monitoring procedures, insufficient transparency of decision-making and low public participation in evaluating strategic management results. It is substantiated that the effectiveness of strategic management depends on the combination of legal, financial, digital and public accountability mechanisms, as well as on the ability of different levels of authority to act coherently in the implementation of strategic decisions.



### KEYWORDS

strategic management, local self-government, territorial development, inter-level interaction, public administration, decentralization.



## Інституціоналізація стратегічного управління в органах місцевого самоврядування: міжрівнева взаємодія та управлінська відповідальність

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### СТАТТЯ

### АНОТАЦІЯ

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Актуальність статті зумовлена потребою інституціоналізації стратегічного управління в органах місцевого самоврядування в умовах децентралізації, воєнних викликів, цифрової трансформації та зростання вимог до узгодженості управлінських рішень між державним, регіональним і місцевим рівнями. Мета дослідження полягає у визначенні особливостей впровадження системи стратегічного управління в органах місцевого самоврядування крізь призму міжрівневої взаємодії та управлінської відповідальності, а також в обґрунтуванні підходів до підвищення результативності стратегічного управління територіальним розвитком. У процесі дослідження встановлено, що стратегічне управління в місцевому самоврядуванні поступово трансформується з інструменту адміністративного планування у комплексний механізм координації інтересів, ресурсів, повноважень і відповідальності між різними суб'єктами публічної влади. Визначено ключові принципи сучасної моделі стратегічного управління, зокрема комплексність, довгостроковість, адаптивність, прозорість, участь громадськості, підзвітність і узгодженість із державною регіональною політикою. Охарактеризовано основні форми міжрівневої взаємодії: координацію стратегічних планів, спільне фінансування програм розвитку, міжмуніципальне співробітництво, консультативні механізми, цифрові системи управління та партнерські проекти держави й територіальних громад. Виявлено проблеми механізмів відповідальності, серед яких нечіткий розподіл повноважень, складність визначення відповідального суб'єкта за невиконання стратегічних цілей, формальний характер моніторингу, недостатня прозорість прийняття рішень і низький рівень участі громадськості. Обґрунтовано, що ефективне стратегічне управління на місцевому рівні потребує переходу від фрагментарної моделі планування до інтегрованої системи багаторівневого управління, у якій стратегічні цілі поєднуються з ресурсним забезпеченням, цифровим моніторингом, публічною підзвітністю та чітким розподілом управлінської відповідальності.



### КЛЮЧОВІ СЛОВА

стратегічне управління, місцеве самоврядування, територіальний розвиток, міжрівнева взаємодія, публічне управління, децентралізація.

## **1. Introduction**

The modern system of local self-government operates in the context of socio-economic changes, decentralization of power, digital transformation of management processes and growing public demand for the effective use of resources of territorial communities [1]. In such conditions, local governments are faced with the need not only to promptly respond to current challenges, but also to form long-term mechanisms for the development of territories. That is why the implementation of a strategic management system is important as a tool for ensuring the consistency of management decisions, the stability of community development and improving the quality of public administration.

The relevance of the study is due to the fact that in many communities strategic planning is still formal in nature and is not accompanied by proper coordination between different levels of government [2]. Practice shows that strategic documents are often developed without a real implementation mechanism, a system for monitoring results and a clear distribution of responsibilities between management entities. This creates contradictions between state, regional and local development priorities, complicates the process of managerial decision-making and reduces the efficiency of the use of budget resources.

## **2. Literature Review**

In recent years, the problems of strategic management in local self-government bodies have become the subject of active scientific research in connection with the decentralization reform, the transformation of the public administration system and the strengthening of the role of territorial communities in ensuring regional development. A significant part of modern research is devoted to the analysis of the institutional capacity of local self-government, mechanisms of inter-level interaction and the search for effective models of strategic planning in an unstable socio-political environment.

In the studies of V. V. Bobyl and D. S. Rezhko [1], attention is focused on the role of local self-government bodies in the implementation of state economic policy under martial law. The authors prove that territorial communities are gradually turning into independent subjects of strategic development, which not only perform delegated functions, but also form their own mechanisms of economic sustainability and coordination of resources.

The problems of the territorial organization of power and the functioning of the system of multi-level management are analyzed in detail by D. O. Krasivsky and Y. V. Kachan [2]. Scholars focus on structural contradictions between different levels of public power, insufficient coordination of powers and unregulated aspects of managerial interaction. The conclusions obtained by the authors demonstrate that the decentralization reform created preconditions for strengthening the autonomy of communities, but at the same time exacerbated the problem of coordinating strategic decisions between the state, regional and local levels of government.

In the works of R. V. Sayevich [3], the strategic directions of development of social and government interaction in the context of geopolitical threats are studied. The author emphasizes that modern strategic management cannot be limited to administrative procedures, since the effectiveness of the implementation of development strategies largely depends on the level of interaction of the authorities with civil society and other institutional actors.

The issue of coordination of the activities of local state administrations and local self-government bodies under martial law is considered by V. K. Zinkevych [4]. The researcher draws attention to the need to improve organizational and legal mechanisms of interaction between public authorities, especially in crisis conditions, when the effectiveness of managerial decisions depends on the speed of communication and a clear distribution of competencies. A similar approach can be traced in the work of T. V. Steshenko [5], where the main attention is paid to the problems of duplication of powers, insufficient normative certainty of the responsibility of authorities and the search for ways to improve the system of intergovernmental interaction.

Modern trends in the development of local self-government in Ukraine are analyzed by V. Barvinenko [6], who connects the further transformation of the management system with the need to adapt communities to new security, economic and social challenges. The author emphasizes that strategic management of territorial development is increasingly focused on the long-term sustainability

of communities, digitalization of management processes and increasing the level of institutional responsibility of local governments.

A separate area of scientific research is related to the influence of military factors on the functioning of municipal administration. In particular, M. Baimuratov and B. Kofman [7] substantiate the concept of “military municipalism”, within which local self-government is considered as one of the key elements of ensuring the stability of the state in the face of military threats. The authors prove that in crisis conditions, the content of responsibility of local self-government bodies changes significantly, since they perform not only administrative, but also security and coordination functions.

Foreign studies also pay considerable attention to the issues of multi-level governance and strategic management of territories. K. Kössler [8] considers intergovernmental relations as a key element of an effective system of local self-government and emphasizes the need for a balanced distribution of powers between different levels of government. The author emphasizes that the effectiveness of strategic management largely depends on the coordination of actions between central and local governments, as well as on a clear definition of mechanisms of responsibility.

A critical analysis of the processes of decentralization is presented in the work of C. Dick-Sagoe [9], where it is substantiated that the transfer of powers to the local level does not always automatically increase the efficiency of public administration. The author argues that the effectiveness of decentralization reforms depends on the level of institutional capacity of communities, financial autonomy and the availability of effective coordination mechanisms between levels of government.

At the same time, M. Lakhyzha et al. [10] investigate modern approaches to strategic management of sustainable development of territorial communities in Ukraine. Scientists focus on innovative management mechanisms, digitalization of strategic planning and the need to integrate the principles of sustainable development into the activities of local authorities.

Despite a significant number of scientific papers [1-10], in modern scientific discourse, insufficient attention is paid to a comprehensive study of the implementation of the strategic management system through the prism of inter-level interaction and responsibility of public administration entities. The available studies are mainly focused either on the problems of decentralization or on certain aspects of strategic planning and interaction between authorities.

### **3. Problem Statement**

The article is aimed at studying the features of the implementation of the strategic management system in local self-government bodies in the conditions of interlevel interaction.

### **4. Methods and Materials**

The study uses methods of systemic and structural-functional analysis to study the mechanisms of strategic management in the system of local self-government and the features of interlevel interaction.

### **5. Results and Discussion**

The modern development of the local self-government system is accompanied by the transformation of approaches to the management of territorial communities, which is due to the processes of decentralization, the strengthening of the role of regional policy and the need to ensure sustainable development of territories. In these conditions, strategic management is of particular importance, which is gradually moving from the model of traditional administrative planning to a comprehensive system of public governance focused on long-term results, intersectoral interaction and efficient use of community resources [11].

For a long time, the classical approach to local development management was based mainly on administrative and command mechanisms, within which local self-government bodies performed mostly delegated functions and acted in conditions of strict centralization of managerial decisions. Under this model, strategic planning was actually reduced to the short-term allocation of resources and the implementation of current tasks without the formation of a holistic vision of the development of the territory. However, the current conditions for the functioning of public authorities require a transition

to management models capable of ensuring the adaptability of communities to economic, security and social challenges [4].

In modern scientific discourse, strategic management is considered as a continuous process of determining strategic priorities for the development of the territory, forecasting possible changes, coordinating managerial decisions and ensuring effective interaction between public administration entities [6]. Unlike the current administration, which is aimed mainly at solving operational issues, strategic management focuses on the long-term perspective of community development, the formation of competitive advantages of the territory and increasing the level of its socio-economic sustainability.

Strategic management is of particular importance in the context of decentralization, since the transfer of a significant part of powers to the local level necessitated strengthening the institutional capacity of territorial communities. As noted by D. O. Krasivskyi and Y. V. Kachan [2], the modern system of territorial organization of power in Ukraine is characterized by a combination of processes of expanding the autonomy of communities and simultaneously complicating the mechanisms of coordination between different levels of public power. In such conditions, strategic management turns into a tool for coordinating local, regional and state development priorities.

Modern models of strategic management also provide for the integration of the principles of partnership governance, in which local self-government bodies interact not only with state structures, but also with business, civil society and international organizations [5]. This approach contributes to the formation of a multi-level management system, within which the territorial community is considered as an active participant in the process of strategic development, and not only as an administrative unit. In this context, strategic management performs a coordination function, ensuring the coherence of interests of different subjects of the management process.

The theoretical foundations of strategic management in the system of local self-government are formed on the basis of a number of principles that determine the logic of managerial decision-making and ensure the effectiveness of the implementation of strategies for the development of territorial communities [12]. Compliance with these principles makes it possible to ensure consistency between current management processes and long-term goals of the territory’s development, as well as to increase the level of resilience of local self-government to modern socio-economic and security challenges. The basic principles of strategic management in the system of local self-government are given in Table 1.

**Table 1. Principles of Strategic Management in the System of Local Self-Government**

<b>Principle</b>	<b>Characteristics</b>
Complexity	It provides for taking into account economic, social, environmental, infrastructural and security aspects of the development of the territorial community
Long-term	Orients the management system to achieve strategic goals of community development in the long term
Adaptability	Ensures the ability of local self-government bodies to promptly respond to changes in the external environment and crisis challenges
Transparency	It provides for the openness of the strategic planning process and the availability of information on management decisions
Public participation	Ensures the involvement of community residents, NGOs and other stakeholders in the formation of strategic priorities
Accountability	Determines the need to control the implementation of strategic decisions and assess the effectiveness of the activities of the authorities
Consistency with state regional policy	It provides for the coordination of local development strategies with national and regional priorities

Source: Formed on the basis of [12; 13].

The above principles form the basis of the modern system of strategic management and determine the mechanisms of interaction between public administration entities [13]. Their practical implementation contributes to increasing the efficiency of managerial decisions, strengthening the institutional capacity of territorial communities and ensuring the balanced development of territories. At the same time, compliance with these principles requires proper coordination between different levels of government, which actualizes the issue of inter-level interaction in the process of implementing strategic decisions.

The system of strategic management in local self-government bodies is a complex of interrelated management elements aimed at ensuring the long-term development of the territorial community. Its

effectiveness depends on the consistency of the processes of strategic planning, forecasting, monitoring and evaluation of the results of managerial activities. An important component of the system is also riskmanagement, which ensures the adaptability of strategic decisions to changes in the external environment. The main elements of the strategic management system are shown on Figure 1.



**Figure 1. The main elements of the strategic management system**

Source: Formed on the basis of [15; 16].

The above scheme demonstrates the cyclical nature of strategic management, within which each element is associated with the previous and subsequent stages of the management process [16]. Strategic planning determines the key areas of development of the territorial community, while forecasting allows you to assess potential changes in the external environment and possible development scenarios. Monitoring and evaluation of results provide control over the implementation of strategic goals, and adjustment of strategies makes it possible to adapt management decisions to new conditions.

Modern conditions for the functioning of local self-government in Ukraine have significantly transformed the content of strategic management and approaches to the implementation of managerial decisions at the local level [5]. One of the key factors of such changes was the decentralization reform, within the framework of which territorial communities received expanded powers, financial autonomy and greater responsibility for ensuring local development. As a result, strategic management ceased to perform an exclusively planning function and acquired the characteristics of a comprehensive mechanism for managing territorial resources, coordinating institutional interaction and ensuring the resilience of communities.

The expansion of the powers of local self-government bodies is accompanied by an increase in the requirements for their institutional capacity. Modern territorial communities should not only form development strategies, but also ensure their practical implementation through a system of program management, performance monitoring and interagency coordination [6]. In this regard, strategic management is increasingly focused on the integration of financial, social, infrastructural and security components of the territory's development.

Martial law had a significant impact on the transformation of the strategic management system, which changed the priorities of the functioning of local self-government. In the face of military threats, local governments began to perform additional coordination and stabilization functions related to ensuring the life of communities, supporting critical infrastructure, organizing humanitarian aid, and interacting with military administrations. As noted by M. Baimuratov and B. Kofman [7], in such conditions, a new model of municipal management is formed, in which the security component becomes an integral part of the strategic planning of territorial development.

In parallel with security challenges, there is an active digitalization of the public administration system. The use of digital platforms, electronic services, and information and analytical systems helps

to increase the transparency of strategic management, improve mechanisms for monitoring the implementation of strategies, and strengthen communication between the authorities and the community. Digital technologies also create prerequisites for faster managerial decision-making and data integration between different levels of public power [16].

An additional factor in the transformation of strategic management is the European integration processes, which necessitate the adaptation of the local self-government system to European standards of public governance. First of all, it is about the implementation of the principles of subsidiarity, transparency, strategic accountability and multi-level governance. In this context, strategic management is considered not only as a tool for the implementation of local policy, but as a component of a unified system of coordination of state, regional and local development [6].

Thus, the modern model of strategic management in the system of local self-government is formed under the influence of decentralization, military challenges, digital transformation and European integration processes. Under such conditions, strategic management is no longer limited to the development of strategic documents, but acts as a complex mechanism for coordinating interests, resources and responsibilities between different levels of public power [9]. It is the ability to ensure the consistency of managerial decisions, the adaptability of the management system and effective inter-level interaction that determines the effectiveness of modern strategic management of territorial development.

The regulatory and legal basis for inter-level interaction between state authorities and local self-government bodies forms an institutional mechanism for the implementation of strategic management of territorial development. It is the legislative regulation that determines the limits of the powers of public administration entities, the mechanisms for coordinating managerial decisions, the principles of financial support for the development of territories and the procedure for implementing the state regional policy. In modern conditions, inter-level interaction is based on a combination of constitutional principles of local self-government, norms of special legislation and strategic documents of the state and regional levels.

The Constitution of Ukraine is the basic normative act that defines the principles of the functioning of local self-government and interaction between different levels of public power [17]. In accordance with the provisions of the Basic Law of Ukraine "On Local Self-Government in Ukraine", it is recognized and guaranteed by the state as the right of the territorial community to independently resolve issues of local importance within the framework of the Constitution and laws of Ukraine. Constitutional norms also enshrine the principles of combining centralization and decentralization in the exercise of state power, which creates the basis for the formation of a system of multi-level governance.

Further development of constitutional provisions is carried out in the Law of Ukraine "On Local Self-Government in Ukraine" [18], which defines the organizational, legal and financial principles of the activities of local self-government bodies. The Law establishes the system of powers of local councils and executive bodies, regulates the mechanisms of interaction between local self-government bodies and executive authorities, and also defines the principles of accountability and responsibility in the field of local government. This normative act is of particular importance in the context of strategic management, since it is local self-government bodies that act as the main subjects of the implementation of strategies for the development of territorial communities.

An important role in the system of inter-level interaction is played by the Law of Ukraine "On the Principles of State Regional Policy" [19], which forms the normative basis for coordination of state and local policy of territorial development. The Law defines the mechanisms of strategic planning at the state and regional levels, the principles of harmonization of community development strategies with regional and national priorities, as well as instruments for financial support for regional development. Within the framework of this normative act, the need to ensure partnership between state authorities and local self-government in the process of implementing strategic decisions is enshrined.

Documents related to the decentralization reform had a significant impact on the transformation of the regulatory framework for inter-level interaction. The transfer of part of the powers and financial resources to the local level contributed to strengthening the autonomy of territorial communities and changing the model of interaction between the state and local self-government [20]. As a result, local self-government bodies received wider opportunities to form and implement their own policy for the development of territories, but at the same time the need for coordination of strategic decisions between different levels of government increased.

A separate place in the normative system of strategic management is occupied by state and regional development strategies. Such documents determine the long-term priorities of the socio-economic development of the state and regions, form a system of strategic goals and create the basis for coordinating local development programs with national interests [21]. At the same time, the effectiveness of the implementation of strategies largely depends on the level of coordination between state authorities, local self-government and other participants in the management process.

Inter-level interaction in the system of strategic management is not limited to the formal distribution of powers between the state and local self-government [4]. Its practical content is manifested through specific mechanisms of coordination, financing and joint management decision-making. It is the forms of such interaction that determine how coordinated the strategic priorities of different levels of government will be and whether the public administration system is able to ensure the real implementation of territorial development strategies.

One of the key forms of inter-level interaction is the coordination of strategic plans. In practice, local development strategies cannot exist in isolation from state regional policy, since a significant part of infrastructure, social and security projects depend on national programs and budgetary mechanisms [7]. Coordination of strategic documents avoids duplication of priorities, contradictions in the allocation of resources and fragmentation of management decisions. At the same time, the analysis of modern practice shows that coordination between levels of government is often formal: local strategies are adapted to state requirements declaratively, without really taking into account the specifics of territorial development.

An equally important form of interaction is the joint financing of development programs. The implementation of large-scale strategic projects requires the concentration of financial resources at the state, regional and local levels [9]. First of all, this concerns the restoration of critical infrastructure, the modernization of transport systems, the digitalization of public services and the implementation of security programs. Joint financing creates the basis for a partnership management model, but at the same time increases the problem of sharing responsibility between project participants. In practice, communities often remain dependent on state subventions, which limits their strategic autonomy.

Intermunicipal cooperation, which allows communities to jointly solve problems that go beyond the boundaries of one administrative territory [10], acquires special importance. We are talking about the management of transport infrastructure, waste management, the development of medical and educational services, and the implementation of environmental programs. This form of interaction gradually changes the traditional approach to local self-government, since communities begin to be considered not as isolated administrative units, but as participants in broader functional territorial systems. It is through intermunicipal partnership that strategic management acquires a network character.

Consultation mechanisms play an important role in ensuring inter-level interaction. It is not only about official meetings or approval of documents, but about the constant process of communication between central authorities, regional structures, local governments and the public [11]. The effectiveness of strategic management largely depends on the extent to which the participants in the management process have the opportunity to influence the formation of strategic decisions at the stage of their development. The problem is that consultation mechanisms in Ukrainian practice often retain a formal character and do not always provide real consideration of the positions of territorial communities.

The development of digital control systems significantly changes the nature of inter-level interaction. Digitalization creates conditions for the prompt exchange of information between different levels of government, simplifies the monitoring of the implementation of strategic programs and increases the transparency of management decisions [12]. Electronic platforms, data analytics systems and digital budget control tools allow for faster coordination of actions of public administration entities, especially in crisis conditions. At the same time, digitalization puts forward new requirements for the institutional capacity of communities, staffing, and the protection of information resources.

Another form of inter-level interaction is partnership projects of the state and territorial communities. Most often, they are implemented in the areas of territorial restoration, energy efficiency, infrastructure development, and digital transformation [14]. Such projects allow combining state resources with the local needs of communities, but their effectiveness depends on a clear distribution of functions between participants and the ability to ensure long-term coordination of actions. This is where the problem of responsibility becomes especially noticeable: in many cases, it is difficult to

determine what level of government is responsible for the failure to meet the deadlines for project implementation or the failure to achieve the planned results.

Thus, the modern system of interlevel interaction covers a wide range of organizational, financial and communication mechanisms. Their development indicates a gradual transition from a rigidly centralized management model to multi-level governance based on coordination, partnership and shared responsibility [8]. At the same time, the effectiveness of such mechanisms largely depends not only on regulatory regulation, but also on the real ability of different levels of government to act in concert in the process of implementing strategic decisions.

The effectiveness of strategic management of territorial development depends not only on the quality of strategic planning or the level of interagency coordination, but also on how clearly the mechanisms of responsibility of management entities for the results of the implementation of strategic decisions are defined. In the modern system of public administration, responsibility gradually goes beyond traditional administrative control and acquires a complex character, covering legal, political, financial and social aspects of managerial activity [9].

The peculiarity of strategic management is that the implementation of strategic goals takes place with the participation of a large number of subjects — state authorities, local self-government, executive structures, municipal enterprises, international partners and the public [10]. Under such conditions, the issue of responsibility ceases to be an exclusively intra-organizational category and turns into one of the key mechanisms for ensuring the effectiveness of territorial development management.

Responsibility in the system of strategic management has a multidimensional character. First of all, we are talking about legal responsibility, which is associated with compliance with the requirements of the law in the process of making and implementing strategic decisions [11]. Local self-government bodies and officials are obliged to act within the limits of certain powers, ensure the legality of the use of budget resources and the implementation of strategic programs in accordance with regulatory legal acts.

No less important is political responsibility, which is manifested through the accountability of local self-government bodies to the territorial community and the assessment of the results of their activities by the population [8]. Unlike administrative responsibility, political responsibility is directly related to the level of public trust in the authorities, the effectiveness of the implementation of development strategies, and the ability of local authorities to respond to the needs of the community.

Administrative responsibility covers the system of internal management control and disciplinary mechanisms in the activities of public authorities [11]. Its importance especially increases in the process of implementing long-term strategic programs, where it is important to ensure the coordination of actions of different performers, compliance with monitoring procedures and the implementation of established performance indicators.

A special place is occupied by financial responsibility, since the implementation of strategies for the development of territories directly depends on the efficiency of the use of budget resources [12]. Financial responsibility involves control over the targeted use of funds, transparency of financing of strategic projects and assessment of the economic effectiveness of management decisions. In modern conditions, this issue is becoming especially relevant due to the growth in the volume of international financial assistance and the need to ensure transparent restoration of territories.

An important component of the modern system of responsibility is public accountability, which provides for the openness of management processes, public access to information and the possibility of public control over the implementation of strategic decisions [13]. Public accountability is gradually becoming a necessary condition for the legitimacy of strategic management, since it is the level of transparency that determines the population's trust in the authorities and the effectiveness of interaction between the community and public administration entities.

Despite the gradual development of the system of strategic management and the expansion of the powers of territorial communities, the mechanisms of responsibility in the field of territorial development remain insufficiently effective. The analysis of modern practice shows that the problems of liability are complex in nature and are associated not only with regulatory and legal shortcomings, but also with organizational and institutional limitations of the functioning of the public administration system. The most common problems of responsibility mechanisms in the field of strategic management of territorial development are given in Table 2.

The above problems indicate that the modern system of responsibility in the field of strategic management of territorial development remains fragmented and insufficiently integrated [8]. The

problem of blurring responsibility between different levels of government is especially noticeable, when the implementation of strategic decisions is carried out jointly, but the mechanisms for evaluating results and monitoring the implementation of programs remain insufficiently defined. This reduces the effectiveness of strategic management and complicates the formation of an effective system of accountability in the field of territorial development.

**Table 2. Main Problems of Mechanisms of Responsibility in the System of Strategic Management of Territorial Development**

<b>Problem</b>	<b>Characteristics of manifestation</b>
Unclear distribution of powers	The duplication of functions between state bodies, regional structures and local self-government bodies complicates the determination of the boundaries of responsibility
Difficulty in determining the responsible entity	The implementation of strategic programs is carried out by several entities at the same time, which complicates the establishment of responsibility for non-fulfilment of strategic goals
Formal nature of monitoring	Strategy monitoring is often limited to reporting without a real assessment of the effectiveness of management decisions
Insufficient effectiveness of control mechanisms	The system of internal audit and financial control does not always provide the proper level of managerial responsibility
Lack of transparency in decision-making	Limited access to information on resource allocation and strategic project implementation reduces accountability
Low level of public participation	Formal involvement of the population in strategic planning limits the possibilities of public control
Lack of clear criteria for evaluating performance	Strategic indicators are often declarative in nature and do not reflect the real impact of programs on community development
Mismatch between authority and resources	Some of the delegated functions are not provided with sufficient financial and human resources

*Source:* Compiled by the authors.

At the same time, these problems demonstrate the need to move from formal administrative control to an integrated model of strategic responsibility, which will combine the mechanisms of legal regulation, financial control, digital monitoring and public participation in the process of evaluating the results of strategic management.

## **6. Conclusions**

The study showed that the modern system of strategic management in local self-government bodies is formed under the influence of the processes of decentralization, digital transformation, military challenges and European integration changes. As a result, strategic management gradually goes beyond traditional administrative planning and is transformed into a comprehensive mechanism for coordinating interests, resources and responsibilities between different levels of public power. It has been established that the effectiveness of strategic management largely depends on the ability of state authorities and local self-government bodies to ensure the consistency of strategic decisions, the adaptability of the management system and the effectiveness of the implementation of territorial development programs.

In the course of the study, it is substantiated that strategic management in the system of local self-government is based on the principles of comprehensiveness, long-term, adaptability, transparency, accountability and multi-level coordination. It has been determined that the modern model of territorial development management is increasingly focused on partnership governance, within which territorial communities interact with state structures, civil society and international institutions. This contributes to the transition to an integrated system of multi-level governance based on the coordination of strategic decisions and joint responsibility for the results of territorial development.

Prospects for further research are related to the analysis of practical models of strategic coordination between state authorities and territorial communities in the context of the post-war recovery of Ukraine. Special attention should be paid to the study of digital mechanisms for monitoring strategic management, tools of public control and adaptation of European practices of multi-level governance to the Ukrainian system of local self-government.

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