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**A NEW PARADIGM OF MODERNIZATION OF SOCIAL  
SECURITY MANAGEMENT AS A INDICATOR OF ECONOMIC  
GROWTH**

*Who stands on the spot, he lags behind*

*Folk wisdom*

The formation and development of the economy depends to a large extent on the management system not only on the social sphere, but also on each of its components. Functioning and development of the social sphere is considered as an expanded reproduction process, which includes: production of goods and services; distribution of the latter; exchange them; Consumption, regularity and parameters of which determine all proportions and interrelations of social development, as a result of which reproduce both productive forces and industrial relations.

The social sphere is a component of the economy, which, on the one hand, is the result of economic development, and on the other hand, contributes to the latter. The main indicators of the functioning of the

social sphere are the improvement of the quality of life, the health of the population, education, the growth of the index - the index of human development. As practice shows, the development of the social sphere promotes the growth of incomes, the family budget, the provision of social and property security, the improvement of the employment of the population, its social protection, etc. In addition, an important role is assigned to the field of study to ensure the implementation of the concept of sustainable development, according to which its main goal is to ensure a high standard of living of the population with proper protection and preservation of the environment.

As an object of management, the social sphere is the system's structural and functional link in a society in which the subsystems (education, culture, health care, community life support, transport, etc.) function independently (in the processes of social and other types) activities). All of them realize the functions of the extended reproduction of man and as a person, and as the main productive power of society.

In these conditions, it is important to improve the quality of services provided by the social sphere. The latter is facilitated by the effective management of its development. This, in our opinion, is one of the most important elements of a market mechanism. It is known that the existence and sustainable development of any economic system give rise to problems of interaction of various components, say, the system of prices, proposals. Statistics show that the development of the social sphere is influenced by many factors, including globalization processes. In this context, the modernization of the management system for the development of the social sphere should be aimed at adapting the latter to the challenges of the present [1]. Among the latter is the provision of management on an innovative basis. After all, globalization processes

require an increase in the proportion of innovative products and increase its volumes, providing high-tech services in virtually all sectors of the social sphere. In addition, among the most important indicators that characterize the innovative component of the social sphere, there is a share of innovative active institutions, that is, the proportion of institutions actively engaged in innovation activities.

Innovative development is a set of continuously implemented in time qualitatively new progressive changes. Innovative development of the social sphere can be assessed by the level of implementation of innovations, which are the result of human intellectual activity, its creative process, discovery, invention and rationalization in the form of new or different from previous objects. Innovations inherent in the social sphere are characterized by:

- introduction to the market of fundamentally new (or substantially improved) services of intellectual activity of a person with the highest scientific and technical potential;
- new consumer qualities;
- effective participation of innovations in ensuring the growth of production activity [2, p. 16-19].

Innovation is one of the important conditions on the way to building an effective social complex capable of becoming the driving force of long-term economic growth of the state and reacting in a timely manner to changes in market and world conditions. Modern innovative development of the social sphere in Ukraine, unfortunately, does not meet the requirements of time and is characterized by tendencies, which is caused by low level of activity concerning creation of new technologies. So it is not surprising that in our country the share of enterprises engaged in innovation activity remains extremely low,

in particular when compared with the countries of the European Union (10-15% of the level of countries of Western European indicators) [3, p. 124-130]. The increase of this indicator, as evidenced by world experience, should be fostered by the revitalization of the modernization of the social sector management system, which undoubtedly requires the appropriate resource, first of all, financial support. And here the role of the state order as one of the tools of the state social policy is given a special place [4, p. 26-28].

Activation of the same processes for the reproduction of services, training can be carried out provided the goals of reproduction in line with the goals of socio-economic reforms. Unfortunately, recently there has been a narrowing of all sources of financing of the social sphere. And this is when it is extremely important and necessary to implement the modernization of the social sphere, which, according to experts, is conditioned:

- Individualization of lifestyles, loss of collective identity;
- globalization, internationalization, rapid development of the services sector;
- labor mobility, international labor force competition, the development of new forms of work and informal employment, migration processes;
- the high value of self-determination and individual freedom;
- scientific and technological progress;
- change in age structure of the population, etc. [5, p. 205-215].

To overcome the barriers to the innovative development of the social sphere, including financial ones, it is necessary:

- actively use information support system;
- to create the appropriate infrastructure;

- develop effective mechanisms for attracting investment in the social sphere;
- to ensure the development and implementation of innovative design and forecasting indicators of social development [6, p. 199-200].

Such an approach, in our opinion, will allow not only to modernize the social sphere, but also to increase its role in the development of a social state, which should guarantee competition and development of personal initiative of citizens to ensure their own well-being<sup>1</sup>; formation of social partnership; active interaction with civil society institutes, as well as creation of the most favorable conditions for economic growth [7].

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<sup>1</sup> In the context of the global challenges of the 21st century, the state is not in a position to take full responsibility for the welfare of every citizen. The state, within the principle of subsidiarity, transfers its functions in this regard to business, civil society institutions, and to each economically active member of society.

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