

Process approach to reproduction of the region investment potential

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The article substantiates that the reproduction of social capital (investment) occupies an important place in the reproduction of the total social product. Social capital is regarded as a circulation of investment resources, that are interconnected and interdependent, moving from one form to another and provide increased production of consumer values in the region.

Generalization of scientific approaches to understanding the essence of the concept of «reproduction of investment potential» has revealed its characteristic features: reproduction of investment potential is an objective regularity, on the basis of which the process of production of material and immaterial benefits takes place; reproduction of investment potential is a dynamic process; reproduction of investment potential consists of investment circulation (formation, distribution and use), that always returns to the starting phase of growth; all reproduction phases of investment potential are interrelated; unity of reproduction processes of investment potential at the level of: an enterprise, regional and national economy; sustainable social

and economic development of the territory is possible subject to expanded reproduction of investment potential.

Reproduction of investment potential of the territory has cyclical nature. Reproduction cycle of investment potential is regarded as an interval between the start of accumulation (mobilization) of investment resources and their return that coincides with the cycle of reproduction of the gross regional product. Taking into consideration a dynamic nature of reproduction of investment potential, it is advisable to use process approach for its research. Process approach is aimed at the overall result of value and allows connecting of separate phases of investment potential reproduction. Process approach gives the possibility to determine the optimal proportions of distribution of the final product for consumption and accumulation. Considering the investment potential reproduction phases as separate processes, it is possible to determine their initial and final phases, and thus ensure effective management of the investment cycle.