

characterized by low development of communal infrastructure. In future these territories will need budget support. This situation requires constant monitoring. There are almost no internal reserves of communal development and taxes basis in the territories. It is necessary to work out mechanisms to attract investments. The main projects in this case are importance of

development of modern engineering infrastructure of agglomeration including such facilities and services as energy and heat supply, sewerage, and water supply.

Data obtained after estimation of differentiation of communal development of ATU in KA must become informational basis for making managerial decisions in realization of regional policy.

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## DEFINITION OF PARTICIPANTS OF THE INVESTMENT PROJECT

*For success of any investment project its careful planning is necessary. For this purpose it is necessary to consider interests of all persons which can affect its execution and results. Such persons form a social network of the project, some aspects of definition of such network are described in the present article.*

*Keywords: investment project, a monetary stream, social network.*

Recently the term “the investment project” is used frequently. It means that the company gives great significance to the development of the manufacture, new manufacture, or gets assets, and expects to receive thus positive monetary stream or other material and non-material benefits.

There is a set of ways to estimate investment projects, one of them is the way of estimating the net present value of the project. However from the point of view of terminology in some cases use of the term “the project” is incorrect.

There are some definitions for what project is. The widest one is “limited on time and the unique actions focused on achievement of a specific goal”.

The requirement of uniqueness differentiates projects and usual operational activity, and does not mean that the given actions are absolutely innovative. Actually it denotes that within the given time interval, with such purpose and such restrictions the actions are carried out unitary.

As for the project limitation on time, it is important that there are fixed dates of the project beginning and ending. Without precisely certain limits of time it is not possible to plan resources, including financial ones, and also impossible to make up the schedule of works.

The most important attribute of the project is the purpose (and defining the result of the project). One of the mistakes of investment projects formulation is orientation on getting the financial result (for example the profit). The result should be quantitatively measurable and unequivocally determined, and in case of defining the profit as the purposes of the project performing group of different projects are possible (for example if at the industrial enterprise the purpose of getting 1 million roubles of the profit from expansion of activity, it can be both usual activity as well as new business).

Thus the owner of the project does not limit executors who can independently define and realize projects.

However here is the so-called agency problem, i. e. a mismatch of the purposes of the proprietor of the project can affect the project result and the project executors.

To illustrate this problem we shall explain what groups of persons participate in the project and what the so-called “usability” or utility of the project denote.

First of all it is the customer of the project, or the proprietor of the project. It is necessary to specify, that the customer of the project is not always the owner of the enterprise where the project is realized. For example, for projects to improve the ecological conditions in the city or the region the customers of the project are the local authorities or the public, i. e. group of persons that use directly the result of the project. However in case the project is realized to expand the business or grow the cost of the concrete business by the customer may become the owner or owners of the enterprise. The interest of the project customer is targeted as a rule at the purpose achievement and results in terms of all restrictions, and probably economy of resources. If the purpose of the project can be achieved without finishing up the project and carrying out all the works of the project, then it can be stopped. Except for that customers can be interested in “long-term stability” results of the project. For example, if it is the ecological project, then the long-term preservation of ecological well-being is of great interest. Hence statement of the rigid purpose of the project and definition of desirable results and restrictions refer to the powers of the project proprietor.

Executors of the project is a group of persons who directly realize the project. Their purposes can not refer directly to the purpose of the project, for example, the hired managers involved exclusively in the project, are interested in finishing up of the project not later than target dates and with the stipulated quality only in case there are expectations of career growth or monetary compensation. If executors already work at the enterprise and results of the project can bring in their activity certain changes, for example, reduction of some workers after automation of the manufacture, the executors will be not interested in successful finishing up of the project.

Users of the project are people who will directly use results of the project (to work for a new manufacture, to

serve new technologies and so on). What they are interested in is that the results of the project would correspond to their expectations, would solve their problems, and thus would not render material or other damage. The users do not participate directly in execution of the project, but can affect the result of the project. In particular if to speak of the investment projects, for example, introduction of the automated system of class ERP, unwillingness of the users to work with the system and correctly reflect the data can minimize the expected economic benefit.

Other participants of the project (sometimes in the literature there is such a term as “stakeholders”) can not be referred to the above-stated groups, but can influence the project or its results. So for example, according to the legislation while constructing objects (residential or industrial), it is necessary to meet public requirements or the project can be rejected or considerably changed (an example of such a project change can be the trajectory of the oil pipeline which was originally supposed to pass near the lake Baikal). This group of persons can have economic or non-economic interests and expectations within the project, and ignoring these interests can affect both realization of the project, and its results.

Actually all these groups form social network of the project, i. e. cover all the interested persons (the question is natural persons) and if while planning the project one does not take into account interests at least the most important ones, the project can turn to be unsuccessful.

For example, if to speak of investment projects at the enterprises that are vitally important for a city, sometimes it is possible to note the following: with changing the proprietor the new owner first of all tries to realize the projects that raise profitability of the manufacture. Among such projects there can be change of suppliers for external ones in relation to the municipal formation or the region, attracting better-qualified man power (including other regions), or just reduction of

some specialists. However if the enterprise is vital to the city, it goes without saying it will be the largest (or the only) employer, and any measures touching interests of the majority of the employees will give negative reaction not only from them, but also from the local and regional authority, that in its own turn can entail additional financial loading on the project (in particular the owners may be forced to create additional jobs for the dismissed specialists of the company).

Apart from that it is possible for groups of persons (including legal persons) to participate in the project, for example, the credit organizations which are interested in the project due to the opportunity of getting income on the enclosed funds. Thus within the legal person there can be separate stakeholders, for example, the specialist who is engaged in delivery of credits and is interested in increasing of their quantity, the project is interesting to him/her as an opportunity to fulfill transaction which will affect his key parameters of efficiency.

The next prominent aspect is delimitation of the project. In investment projects the positive monetary stream from the project is usually defined. It means that limits of the project should include also activity which will follow the investment of the funds (for example if we calculate the project by investments in the new equipment, we should include in it also the production by means of this equipment, and handle these processes). However, frequently when planning projects this activity is ignored. So there are examples of investment projects when only investment charges are included in the budget but the ones for the start of manufacturing and the beginning of sales are omitted. Hence these funds were not involved initially and when the investment part was over, the investors immediately waited for a monetary inflow which was not possible.

Thus at planning investments it is necessary to determine the purpose and limits of the project as well as the social network of the project.

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## **DELIMITATION OF THE INVESTMENT PROJECT**

*Project's scopes and works management is the important component of any investment plan. One of the ways of project's risks minimization involves more exact definition of those works which should be executed for the benefit of project completion and desirable cash flow obtainment.*

*Keywords: the investment project, a cash flow, project works.*

Process of structuring (decomposition) is an integral part of the general project planning process, its purposes defining. It also includes preparation of a general project plan and a matrix of responsibilities and duties. Thus, it is necessary to attribute the following to the primary goals of structuring:

- splitting the project into sections;
- distribution of the responsibilities among various elements of the project and coordination of works with

structure of the organization (resources);

- exact estimation of required expenses – means, time and material resources;
- creation of uniform base for planning, estimating and control over expenses;
- transition from overall aims to the specific tasks which are carried out by the divisions of the organization;
- determination of work complexes (contracts).