

DEFINING THE URBAN DEVELOPMENT STRATEGY IN THE REPUBLIC OF SERBIA

Katarina Stojanović¹; Boško Vojnović²; Ivana Vladimirović³

¹IUNP, Novi Pazar, Serbia

^{2,3} High Agricultural School, Sabac, Serbia

bosko_v@mts.rs, kina.ep@gmail.com, ivanav185@mts.rs

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Abstract: It is not possible to distinguish urban development from the context of comprehensive development. This work proves it. The first part analyzes the systemic and strategic approach in the classical approach, while in the second part it formulates recommendations for the selection of strategies, as well as the strategies themselves in the context of urban development in the Republic of Serbia.

Keywords: *Development, Urbanism, Strategies*

Introduction

It is regarded that globalization, financialization and urbanization are the three dominant topics in the world, and therefore in Serbia. The relation of society and space, which is realized within the framework of the modern environment, is conditioned by the specific constellation of factors in the aspects of politics, economy and culture.¹ This collaboration creates a form, which is called an organization. The organization is considered for an open, dynamic and complex system, which requires a comprehensive approach from every point of view. The organization as a complex system consists of a large number of integral subsystems that need to be coordinated. On the other hand, the organization is a subsystem of a higher-order system, and consequently, the

complexity of the approach is gaining in importance, and the process of management of this system. Openness of the system is conditioned by the interaction between consumers, employees in the organization, as well as all others that are interested in the work of the system.

System approach to the development

Systemic approach should take into account economic, environmental, legal, cultural, urban and other aspects. The organization's system is limited by a boundary, which delineates it from the environment. Since this is an open and flexible system, there are influences which are coming from the outside or from the organization itself, thus there is an increase in the flexibility and creation of the permeability of the system (propulsion) to the environment. The system integrates into a higher-level system through this system, regarding it becomes a subsystem of another system. Synergy as a feature of the system is especially evident in the system of service organizations. In principle, synergy stimulates better connections between subsystems that have more efficiently functioning if they are incident, than when they act independently for each other.

¹ Stojanović, K. (2018). Urbane transformacije vojvodanskih naselja u kontekstu finansijalizacije od početka novog milenijuma. - Doktorska disertacija, Fakultet tehničkih nauka, Novi Sad.

Since it is not possible to observe the system as a simple sum of individual parts, it has to be holistic defined. Therefore, holism is another feature that occupies an important part in the functioning of the system.

Business policy affects and causes direction and intensity of the organization development and which goals will be formulated as strategic, it is formulated as the basic in the development process. A strategic approach to the problem requires a correct strategic decision.

Strategic approach to development

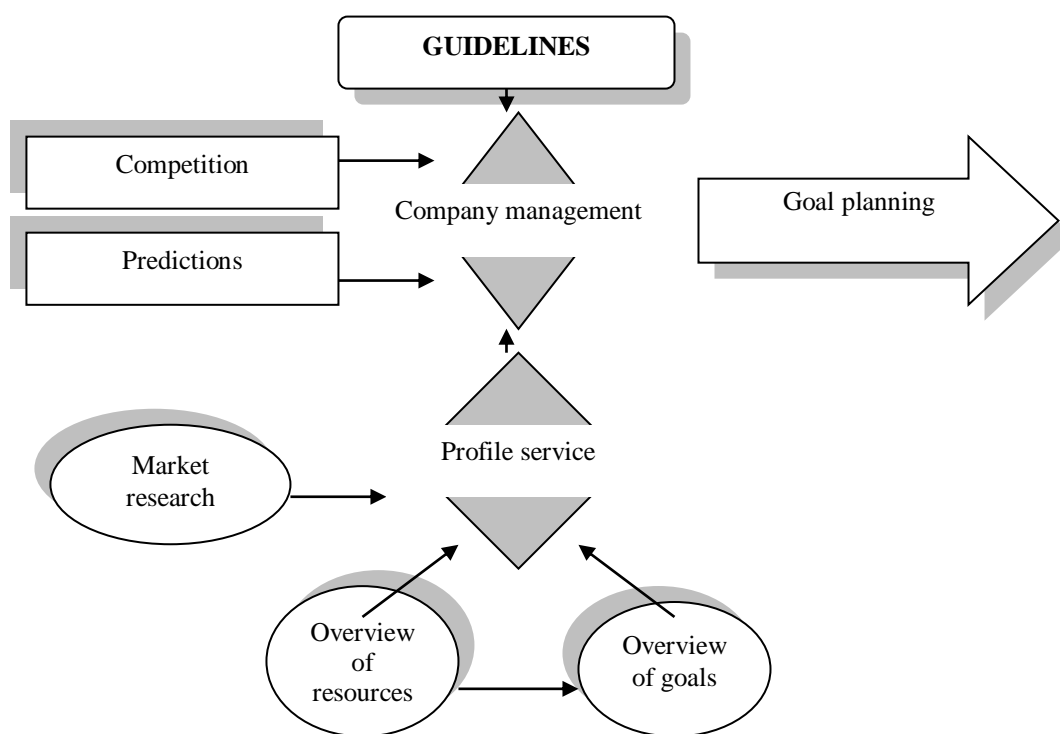


Figure 1. Information for strategic decisions ²

and it is not immune to regional considerations, through urban development strategies.

Strategic decisions represent a critical point in the process of bringing the final strategy formulation. It must dispose of the entire database, in order to formulate a new development strategy with good analysis and the existence of a vision. Diversification as a new type of offer, for new and unfamiliar markets, is a development strategy with the highest risk. This strategy represents a challenge for many organizations and managers,

² Vojnović B., *Menadžment*, Institut za ekonomiku poljoprivrede, Beograd, 2014.

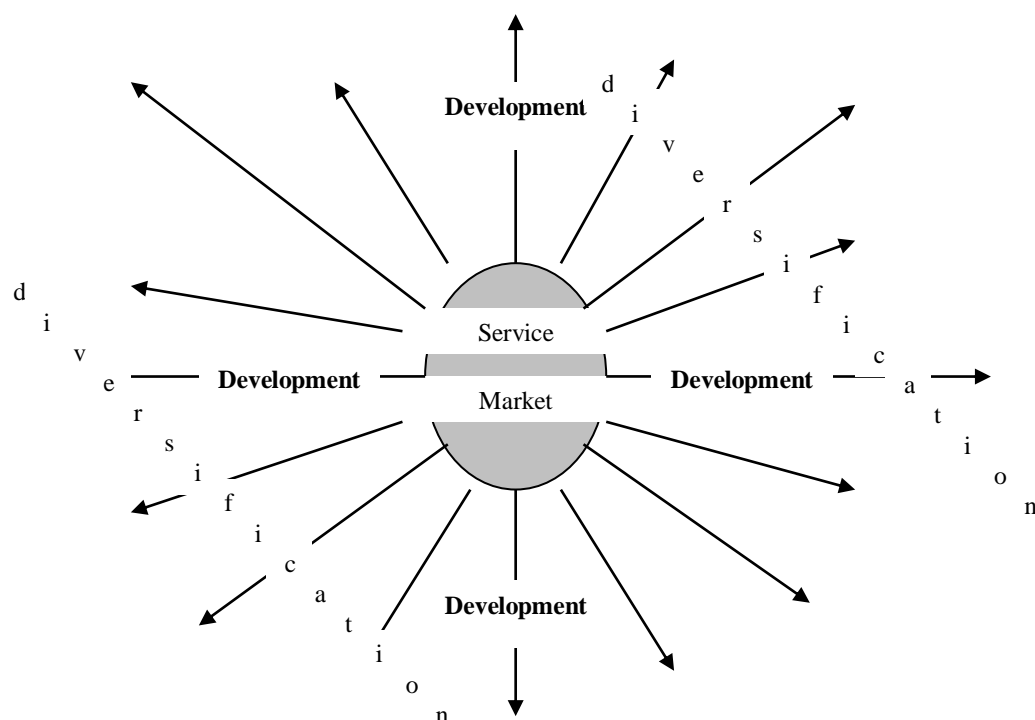


Figure 2. Diversification as a strategy³

Two strategies appear in addition to global strategies, which are particularly specific and have a special feature. We can classify them as generic strategies, and this is about:

- Differential bid strategy and
- Market segmentation strategy.

The goal of the differentiation strategy is the portfolio concept, through which the business entity wants to determine the appropriate offer and increase the placement on the market. Differentiation as a strategy can be applied to any element of the offer, not excluding urban development.

For example: If we are talking about a hotel, as a carrier of tourist services in relation to the other, differentiation is already visible if objects are from

different categories. Differentiation is possible by the arrangement of rooms, working classes or some other aesthetic experience, if objects are from the same categories. Differentiation is possible in terms of psychological or physical aspects. The characteristic of the first is its intangibility and way of experiencing, while the other one has significant physical characteristics, such as color, size, shape, and the like.⁴ A new market can be formed or ensures the domination of the existing one, by this strategy. Gaining market dominance must be sustained, because if it does not improve over time it is lost and disappears. The expanded market advantage must be incessantly maintained, otherwise, without continual support in all segments, it will remain without dominance.

³ Vojnović B., Cvijanović D., Stefanović V., *Razvojni aspekti turističke delatnosti*, Institut za ekonomiku poljoprivrede, Beograd, 2012.

⁴ Vojnović B., *Upravljanje kvalitetom usluga*, Ekonomske teme, 3/2008. str. 181-194. Ekonomski fakultet, Niš, 2008.

This division is accomplished by several ways. One of them consists of two basic types:

1. General characteristics of consumers: demographic, socioeconomic, lifestyle.
2. Customer characteristics related to specific situations: consumer attitude, benefit, loyalty to a particular category of services or products, use.

Demand for individual segments changes over time, so one element that is relevant in one year can lose sight of the importance in the next one. Common case is that the importance of some factor changes significantly in one calendar year, for reasons which seem to belong to a changeable or seasonal character.

There is a constant demand for new heterogeneous forms in modern business, which additionally requires a correct and fast strategic approach to this sphere. As there are a number of factors that are important for determining, as well as a large number of participants, there is almost no clear enough situation. This subsequently confirms that there is an urgent need for quick and quality changes.

Formulation of recommendations for the selection of urban development strategy in RS

It is necessary to define strategies in management of urban development, too. Today, the economy is in long regression in our framework, a late follower in development that records the lag in transition towards the path of a higher level of development. The assessment of Serbia's strategic position testifies for the presence of a long list of vulnerability

indicators.⁵ Serbia and surrounding countries belong in developing countries today, while they have been developed until recently.

In the new context of urban development, the role of the Government is not only to achieve good geopolitical positioning and to maintain political stability and social cohesion, but also primarily to encourage the development of a new model of economic growth and an appropriate platform for economic policy leadership. Orthodoxy of economic policy management in Serbia is so immanent that it is necessary to make a turn in order to be able to follow the change of the paradigm in economic theory and politics., The pendulum can not be moved from an extreme institutional choice, looking for a solution, by principle that the market is the best regulator, to another that implies that the state is the only decision maker. The priority would be: finding a market, favorable assets, modernizing equipment, the higher quality of product and staff training. Serbia with a lagging industrial development is hardly able to compete with the world market, but it is necessary to find those sectors and programs that can offer a new characteristic products or innovated.⁶ Taking into account the topic of this paper, and in the context of multidisciplinary, the following urban strategies are proposed, which can form the basis of overall development in cooperation with classical factors. The draft strategy is presented in the context of urban development.

⁵ Đuričin, Dragan, Vuksanović, Iva. 2015. „ Think Through Strategy: New Vision for Industrialization of Economy and Modernization of Society.” *Ekonomika preduzeća* 1-2, Journal of the Serbian Association of Economists and Serbian Association of Corporate Directors.

⁶ Lošonc, Alpar, Andrea Ivanišević. 2013. *Procesi deindustrijalizacije*. Novi Sad: FTN Izdavaštvo.

Due to the growing need for compact residential areas with higher density, multi-family housing is imposed as a necessity in contemporary residential architecture.⁷ Conversion is a one of the possible solution to the problem of obsolete objects to the needs of multi-storey housing as a result of growing demand for new housing environment and the preservation of architectural heritage and the environment, versus the construction of new housing blocks, the unexplored space or the demolition of existing buildings. Urbanization has, however, often been the motivator of the development of industry, because architecture in general, the process of constructing and purposing of an object, requires and employs many branches of the industry, so it remains to be seen how this tendency will develop in the future and what way it will take.⁸

Conversion of historic buildings is one of the key initiatives in numerous countries around the world, and the leading ones are Canada, Australia, China and the United States. The balance between the strategy of building heritage preservation, through development of a structure sustainable in the present, and tendency of sustainable development in the future, is one of the main goals of the modern world.⁹

The most attractive idea within the framework of considering the global future is the planning of sustainable development as a new paradigm of urban and territorial development. In addition, social,

ecological and cultural development is an important backbone of further planning. There are various experiences and methodologies from the global to the local context, which are increasingly used in urban planning, which include the opinions of the inhabitants.¹⁰ Nevertheless, the notion of the need for the participation of general public in the processes of making important decisions came from the development and the widespread use of information technologies.¹¹

Financialization has no final outcome; instead, it constantly transforms the urban landscape.¹² Capital is adapting to variable global and local market conditions by switching to different locations (spatial adaptation sectors) or markets, or by a reversal of the strategy. This adaptive quality of the financial strategy means that global financial capital demands new accumulation strategies, processes of unequal development, it goes through changes, and thus attempts to respond to negative externalities of finance at the local level, which can be easily solved by selectin of a new location. Efforts to win the financialization of urban space can not therefore be limited to the local level, but strategies of the wider community are also needed.

⁷ Živković, M., Kurtović-Folić, N., Jovanović, G., Kondić, S. i Mitković, M. (2016). Current strategies of urban and architectural conversion as a result of increased housing demands. *Tehnički vjesnik*, 23 (2), 561-568. <https://doi.org/10.17559/TV-20140307161637>

⁸ Stojanović, K., Lošonc, A. (2017). Impact of Financialization in Transformation of Urban Environment and Example of Settlement Detelinara in Novi Sad. *Facta Universitatis, Series: Architecture and Civil Engineering*, Vol. 15, No. 3, 387-402.

⁹ Živković, M., Kurtović-Folić, N., Jovanović, G., Kondić, S. i Mitković, M. (2016). Current strategies of urban and architectural conversion as a result of increased housing demands. *Tehnički vjesnik*, 23 (2), 561-568. <https://doi.org/10.17559/TV-20140307161637>

¹⁰ Stojanović, K. (2018). Flirting of urbanism and architecture with ecology in the post-industrial era, *Sustainable business and ecological integration and collaboration: proceedings/ed. Alpar Lošonc, Andrea Ivanišević, Faculty of technical sciences, Novi Sad*, 229-240. ISBN 978-86-6022-137-9.

¹¹ Milojkic, Danijela, Maruna, Marija. (2015) „Saving Urban Planning from Another Utopian Model.” ed. Vaništa-Lazarević, Eva, et al. *Keeping Up with Technologies to Improve Places*. Cambridge Scholars Publishing.

¹² Stojanović, K. (2018). Urbane transformacije vojvodanskih naselja u kontekstu finansijalizacije od početka novog milenijuma. - *Doktorska disertacija, Fakultet tehničkih nauka, Novi Sad*.

Zaključak

The conclusion is that multidisciplinary and and cooperation of various disciplines are seen today as indispensable in order to create quality living space.¹³ Multidisciplinary nature itself of this work suggests that we can no longer analyze the problems independently architectural or urban in the general transcendence of everything, capital, finance, culture, but should also include a managerial - strategic approach. The ruling opinion is that sustainable cultural development should be based on changes that will include intellectual, moral and esthetic standards of a community.¹⁴ The relevance of the importance of the mentioned categories is unquestionable, but each planning segment should be carefully considered. The global strategy should retain important local characteristics, to the extent and in a way that will contribute to coherence with European urban systems. The urban-cultural context of sustainable development, which means satisfaction of the social needs at a higher level of aspiration rather than it is the case in the banal interpretation of economic, urban and ecological hypotheses for sustainability communities, assuming that the natural and necessary needs of an individual were defined earlier.¹⁵ The proposed development strategies can and should accelerate overall development.

¹³ Stojanović, K. (2018). Flirting of urbanism and architecture with ecology in the post-industrial era, Sustainable business and ecological integration and collaboration: proceedings/ed. Alpar Lošonc, Andrea Ivanišević, Faculty of technical sciences, Novi Sad, 229-240. ISBN 978-86-6022-137-9.

¹⁴ Stojanović, K., Lošonc, A. (2017). Impact of Financialization in Transformation of Urban Environment and Example of Settlement Detelinara in Novi Sad. Facta Universitatis, Series: Architecture and Civil Engineering, Vol. 15, No. 3, 387-402.

¹⁵ Pušić, Ljubinko. 2004. „Sustainable development and urban identity a social context.” Spatium. 11, January. DOI: 10.2298/SPAT0411001P.

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