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The specific of economic competitiveness evaluation of cities from cross-border region under the context of urban shrinkage

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**The specific of economic competitiveness
evaluation of cities from cross-border region under
the context of urban shrinkage**

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The specific of economic competitiveness evaluation of cities from cross-border region under the context of urban shrinkage

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Abstract: This article analyzes the issues of economic competitiveness evaluation of cross-border cities under the context of urban shrinkage. Currently the "urban shrinkage" issue is on the top of the political agenda in Europe. Under the globalization conditions, especially cities, which suffer from urban shrinkage, have to find new and modern means and attitudes for increasing urban competitiveness. The absence of methodological tools for the evaluation of economic competitiveness of the cities of cross-border regions is becoming one of the obstacles that impede the real identification of the current situation and predicting perspectives of the cross-border urban development and competitiveness. The purpose of the article – to identify the challenges and factors for improvement of economic competitiveness of the cross-border cities under the context of urban shrinkage and to develop methodological guidelines for the evaluation of cross-border regional economic competitiveness based on the findings of analysis performed on Lithuanian-Polish cross-border cities. The article distinguishes basic characteristics of the shrinking cities and related problems that have a direct impact on the improvement of economic competitiveness of the city. The economic competitiveness evaluation methodology on the cross-border cities is developed and its practical applicability is verified, based on the sample of Lithuanian-Polish cities (Alytus, Marijampole (Lithuania) and Elk, Bialystok (Poland). Panevezys and Siauliai are additionally added to the analysis as industrial cities located near Lithuania - Latvia border). Strategic recommendations on improving the economic competitiveness of Lithuanian-Polish cross-border cities are introduced in the context of urban shrinkage.

Introduction

This article analyzes the issues of economic competitiveness evaluation of cross-border cities under the context of urban shrinkage. Many cities, especially from countries of small economies, face with characteristics and

consequences of urban shrinkage. The main problem regarding increasing competitiveness of shrinking cities relates to rethinking of their future competitiveness in the context of decline. Competitiveness and economic growth problems are particularly important and relevant to the cross-border cities, mostly because they are remote from the central regions of the country and the capital city (operation of the periphery syndrome), they are often economically 'distant' and having slower development trends. Scientists refer to various causes of such economic-social inequalities, determined by both nationwide and specific. However, the scientific literature and strategic European Union and individual countries' documents support the idea that the economic and social disparities both within the same country and between different countries must be reduced, and indicates that one of the ways to achieve this is to encourage economic co-operation between different cities. Various measures and forms to promote economic co-operation, employed by cities, companies, institutions or organizations of different countries, encourage the development of regular contacts and communication, which gradually evolve from an informal communication into a formal co-operation. In this way, the promotion of economic co-operation allows reducing the spatial isolation, influenced by national borders, and thus improves the economic competitiveness of individual cities. Thus, an active economic co-operation between cities of different countries can be a successful measure which allows to activate the socio-economic life of cities, particularly of those exposed to the population decrease related problems and consequences, successfully employ their development potential and turn them into centers of economic growth.

Both foreign, Lithuanian and Polish authors, very often analyze and evaluate the competitiveness of individual regions and cities, identify the factors that increase competitiveness and seek for ways and create various strategies to increase competitiveness. However, the scientific literature focuses mainly on the problems related to competitiveness of the national towns or regions, without taking into account the specifics of cities of cross-border regions and the shrinking cities. The formation of common methodological framework for assessing the economic competitiveness of different countries' cross-border cities is impeded by the use of two countries' socio-economic development indicators, which in different countries are calculated in different ways and are based on different methodologies. The absence of methodological tools and guidelines for the evaluation of economic competitiveness of the cities of cross-border regions is becoming one of the obstacles that impede the real identification of the current situation and prediction of perspectives of the cross-border

urban development, which is a prerequisite for an effective decision-making on the increase in the city's economic competitiveness.

The purpose of the article – identify the challenges and factors for improvement of economic competitiveness of the cross-border cities under the context of urban shrinkage and to develop methodological guidelines for the evaluation of cross-border regional economic competitiveness based on the findings of analysis performed on Lithuanian-Polish cross-border cities.

Methods of the research: systemic, comparative and logical scientific literature analysis; empirical research employing systemic analysis of external secondary data.

In this article an urban economic competitiveness is defined as an ability of a city to use various (economic, social, institutional, infrastructure, nature etc.) factors of competitiveness in order to make a competitive position and maintain it among other cities and be attractive for different urban resources and functions. Such viewpoint allows treating the urban competitiveness as a self reinforcing process, where present factors of competitiveness (inputs) create future factors of competitiveness (outputs) and after that outputs become inputs for a new cycle of competitiveness process. This issue is fundamental for strategic planning, as the process of improving urban competitiveness is a continual and cyclical. The strategic decisions should be based on the up to date results of the measurement of competitive position and potential of a city.

In this article the cross-border region is defined as the administrative territorial unit consisting of two or more neighboring countries' territories, which has its own identity and some common historical, cultural and socio-economic characteristics, but the authorities represent the needs of different countries and political-legal rules. The empirical application of the methodology of urban economic competitiveness evaluation by index is based on the evaluation of the specificity of these regions: Alytus and Marijampole counties (Lithuania) and Warmian-Masurian and Podlaskie voivodeships (Poland).

The concept of shrinking cities and it's impact on urban competitiveness

Urban development is an ongoing cyclical process of change. During its history, every city may experience different development stages: growth, stagnation, decline or even death. Both internal and external factors affect the process and results of the development. This research focuses on the phenomenon of urban decline with particular attention to one of its type -

urban shrinkage. Currently the "urban shrinkage" issue is on the top of the political agenda in Europe. The European Commission (2011) promotes the creation of diverse, cohesive and attractive cities that should be green and healthy, they should be places for a resilient and inclusive economy, yet the present reality in many European cities, especially in Eastern part of the European Union, shows the opposite situation and calls for immediate attention from local, national and European-level policy makers.

Shrinkage of urban areas is not a new phenomenon; cities underwent shrinkage processes throughout history. However, just around 1950 it became an important focus of concern and debate among policy-makers and researchers in many Western countries, especially in cities – former mining centers. While in the beginning urban shrinkage was mostly discussed within the context of industrial and rural regions, around 1990 decline processes became specific to all types of cities despite their size, status, history, functions or role in national urban systems. According to Oswalt and Rienitz (2006), in the beginning of XXI century, 25 percent of all cities (especially in former East Germany, most states of the former Soviet Union, even in the United Kingdom and France) with more than 100,000 population, were in decline.

Typically used in social and economic contexts, today the concept of 'shrinkage' is widely applied in the urban development context. In academic literature urban shrinkage is discussed using a number of similar terms: decline, decay, contraction, blight, crisis, disurbanization, etc. (Haase et al 2014). A general meaning of the word "to shrink" denotes "to contract", "to become smaller in size"; accordingly, "shrinkage" means "the amount by which anything decreases in size, value, weight, etc." (The Free Dictionary, 2015). Cities are dynamic open social-spatial systems, and the concept of shrinkage can be applied to cities as well. Local economic downturns, out-migration (emigration, suburbanization) and demographic imbalances (negative birth rates) are main pre-conditions for decreasing in value, size, density or other physical and mental characteristics of a city. According to Hospers (2014), the development of urban shrinkage has different causes, but similar effects - "deterioration of the city's hardware, software and mindware"¹. However, Maheshwari (2013) pays attention to the opposite perspective towards the phenomenon: "shrinkage may not always be a bad thing. In the words of Aristotle: "A great city should not be confounded with a populous city."

¹ According to Wang and Ouyang (2003), urban hardware is „technological innovation and integrative design“, software – „institutional reform and system optimization“, mindware – „behavioral inducement and capacity building“.

Salone, Besana (2015) identify urban shrinkage as “a phenomenon characterizing densely populated areas that record a population losing large sections of its extension and, at the same time, undergo a transformation of the economic base, presenting some symptoms of structural crisis”. Maheshwari (2013) provides the following definition: “a densely populated urban area with a minimum population of 10,000 residents that has faced population losses for more than two years and is undergoing economic transformations with some symptoms of a structural crisis.” Population loss is the most important element of both definitions, being both the cause and the result of negative urban transformation.

Researchers (Schlappa, Neill 2013, Martinez-Fernandez et al 2012) stress the role of globalization as a main driver for mobility of people across cities in search for more attractive places to live, work and/or entertain. While some communities are at the sending end (resulting in shrinkage of their population), other areas (e.g. capital cities, regional centres, vocational, academic cities) experience net gains. Shrinking cities typically face declining revenues, rising unemployment, outward migration of economically active population, rapid ageing, surplus buildings and land together with a physical infrastructure, which is oversized for the population it serves. Such cities lose former attractiveness to human (skilled, active labor force, students), capital (private and public sector investments) and other resources and functions (industrial, cultural, administrative, academic or other), necessary for smooth and successful urban functioning. It is important to note that shrinkage may happen at any level of the city: street, neighborhood, or district. Accordingly, the sooner and at the lower level this problem is detected and solved, the better and more sustainable results of the solution can be expected.

In order to maintain a competitive position, the city should ensure its attractiveness to current and potential users of city's resources and functions (Sinkiene, Kromalcas 2010). Periodic performance of comprehensive diagnosis of the current stage of its development and attractiveness, provides a basis to foresee the trajectory of future development and to form the new strategic options in the context of shrinkage. Often, results of such analysis call for immediate action of city management. However, to know the problem is not enough; city managers must comprehend the causes and possible consequences of the problem. Most importantly, they must be aware of a wide set of strategies and tools to stop the negative development trends before they occur and to solve development problems in the most effective and timely way. A city has to devise policy directions to deal with the problematic situation.

How the process of urban shrinkage can be explained? What challenges does it create for local community? How to deal with urban shrinkage?

What strategies and tools can be applied? These are the key questions that managers of cities in decline should raise and answer.

There are different possible solutions for cities, suffering from shrinkage, to adopt in order to stop or revert the negative spiral of development. However, there is no “one fits all” solution. As causes and context for shrinkage in individual cities differ, so are the solutions to tackle the problem. Governments of cities undergoing decline scenario can't simply shut off public services just because they aren't economical; all they can do instead is to target city investments where they will pay the greatest return to the quality of life of local population.

As literature analysis showed, cities across Europe chose different strategies to solve this problem; they range from preservation, greening, redevelopment, demolition, beautification, even neglect.

European Commission (2011) suggests a general direction for action: “Shrinking cities may have to redefine their economic basis and manage transitions towards new forms of economic, social and spatial organization“. Strykiewicz (2014) also indicates more generalist strategies to deal with the urban shrinkage: counteracting or alleviating the adverse effects of shrinkage; seeking new sources of growth; promoting positive aspects of shrinkage.

Policies of German city Leipzig adopted around 2000 show the city's efforts to stop shrinkage by three priority areas of action: preservation of urban quality of the city centre; reduction of urban density through the creation of green or free spaces; improvement of competitiveness of the city and its centres (Florentin 2010). The city also implemented the annexation of suburban cities aiming to “preserve the image of growth” and to get access to national funds (cities with a larger population have the right to receive larger funds from national support programmes).

Another example – a U.S. city Youngstown - after three decades of dealing with all typical negative effects of shrinkage, initiated its rebirth in 2010 by developing a new comprehensive plan with the overall vision acknowledging Youngstown's smaller size. This document provided the basis for implementation of different measures to manage the development of the city in a desired way. One of the measures – a special financial aid program - helped the city's government to focus on encouragement of residents to relocate out of neighborhoods that are too far gone to save, at the same time helping to stabilize transitional neighborhoods and keep healthy middle-class neighborhoods from wilting (Swope 2006). Other cities around Europe implement similar interventions – they demolish vacant housing stock and turn the plots into green spaces.

Liege (Belgium) city's strategy proposes to invest and densify around the infrastructural nodes (Dooghe 2005). Arts projects to change the

atmosphere of the environment can serve as a useful tool to deal with shrinkage of individual city districts.

Different researches show that shrinkage is an urgent issue to many border cities. These processes became particularly evident in border cities of post-soviet countries soon after they implemented political, economic and social transformations. Economic restructuration, decentralization of power and responsibilities, free movement of resources created a completely new environment for development of border settlements. Some border cities, close to economically stronger neighboring country, grew; others - in contrast - faced with severe socio-economic and, often, environmental problems. The long-lasting stagnation encourage local population to move out; this is the first step to city's shrinkage. In order to control the development and to strive for growth, the city must periodically perform the analysis of economic competitiveness.

The methodology of economic competitiveness evaluation by index for the Lithuanian-Polish border region cities

The scientific literature (WEF 2015, Ni et al. 2014, Huang, Hergül 2014, Ács et al. 2014, Bruneckienė et al. 2012, Snieška, Bruneckienė 2009) increasingly recommends to analyze a complex issue by index. Economic competitiveness of the Lithuanian and Polish border region cities can be assessed not only by individual indicators but also by expanding the boundaries of this analysis and calculating the economic competitiveness index of the border region cities (UECI). The following index calculation stages can be distinguished (see Figure 1).

In the first stage, the main economic competitiveness factors of border region cities are identified under the context of urban shrinkage. Implementation of this stage often employs the analysis of various scientific literature references, strategic documents and insights, economic trends and legal documents. During the second stage the values of factor indicators are defined. In the third stage these values are normalized, since various factors are expressed in different units and parameters. Normalization of variable values helps to avoid the predominance of extreme values and contributes to increasing the quality of the data. During the fourth stage the index calculation function is set and the index is calculated. Although the mathematical expression of the index may have an additive or functional expression, it is recommended to express the function in an additive expression. In the fifth stage, based on the calculation results, the conclusions are drawn and policy recommendations for ensuring the increase in the city's economic competitiveness under the context of urban shrinkage are developed.

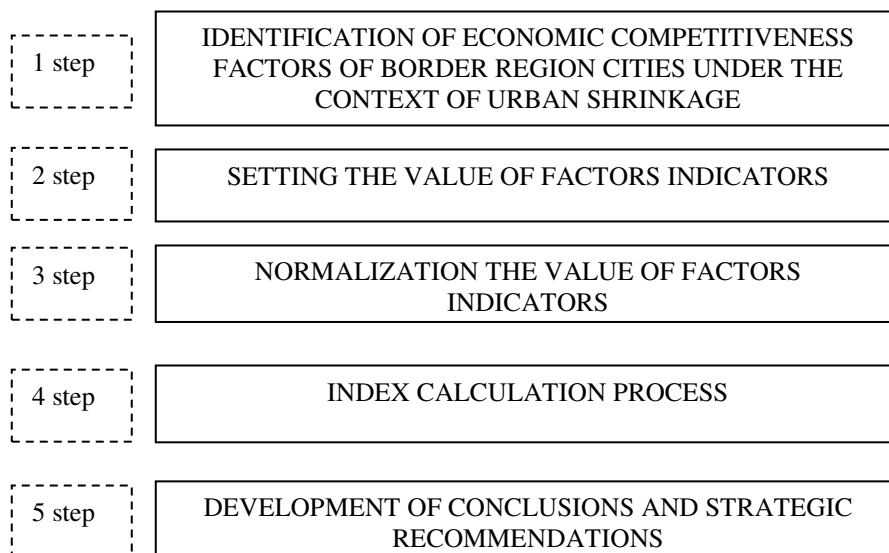


Fig. 1. Index calculation stages

For the evaluation of economic competitiveness of the border region cities, the following cities of Lithuanian and Polish border region have been selected: Alytus, Marijampolė (Lithuania), Ełk and Białystok (Poland). For comparison, optional cities of Panevėžys and Šiauliai, as industrial cities near Lithuanian and Latvian border, were selected.

For the development of the economic competitiveness evaluation methodology for the Lithuania-Poland border region cities, first of all, a system of economic competitiveness factors was formed, consisting of 4 groups of factors and 13 factors (see Table 1). 19 indicators were selected to describe these factors.

Table 1. Conceptual system of economic competitiveness factors

Group of factors	Factor	Indicator
Competitiveness of companies	Economic activeness of companies	Number of economic entities per 1000 population Number of operating companies with the income of 14480 - 28961 Eur. per 10 000 population Paid and included in municipal budgets taxes
	Efficiency of companies	Value added created by employee, working in manufacture sector The ratio of GDP created by region's enterprises in compare to the country's GDP
	Openness of companies	Revenue from export per capita
Attractiveness of the city	Investment attractiveness	Material investments per capita Foreign direct investment per capita
	Awareness of the city	Accommodated guests in accommodation facilities per 1000 population
	Science infrastructure	The number of college students per 1000 population
Labour market adjustment to the changing conditions	Attractiveness of jobs	The registered unemployed and working-age population ratio The average monthly gross wages
	Population qualification	People with higher education
	Age structure of the population	Proportion of the working-age population
	Migration	Neto migration (internal and international) per 10 000 population
	Curiosity	Households with personal computer
Purchasing power of the local market	Demand for the local market scale	Population density per 1 km ² , persons Individuals living in households facing economic difficulties
	Level of material well-being	Average disposable income per household member per month

In order to statistically significantly assess economic competitiveness of different cities, it is important to analyze it by a unified system of indicators. It should be noted that the main problem in selecting the indicators which represent economic competitiveness of the border region cities - limited possibilities to retrieve the same official statistics data from different countries (Lithuania and Poland), (especially at the urban level),

as well as differences in methodologies for calculating the same data between the countries. Before selecting a unified system of indicators for the evaluation of competitiveness of the Lithuanian and Polish border region cities, the possibilities of obtaining such indicators in Lithuania and Poland were compared and a reduced unified system of indicators, describing economic competitiveness of the Lithuania and Poland border region cities, was formed, consisting of 4 groups of factors, 7 factors and 8 indicators (See Table 2).

Table 2. Indicators for the evaluation of economic competitiveness of the Lithuanian and Polish border region cities

Group of factors	Factor	Indicator
Competitiveness of companies	Economic activeness of companies	Number of operating economic entities per 1000 population.
Attractiveness of the city	Investment attractiveness	Material investments per capita
	Awareness of the city	Accommodated guests in accommodation facilities per 1000 population
Labour market adjustment to the changing conditions	Job attractiveness	Number of the registered unemployed and working-age population The average monthly gross wages, monetary units
	Age structure of the population and migration	Proportion of the working-age population
	Migration	Net migration (internal and international) per 10 000 population
Purchasing power of the local market	Local market demand scale	Population density per 1 km ² , persons.

All factors were given the same weight coefficient. The data were normalized by the standard deviation from the average method. The period of 2008 - 2013 years was selected for analysis. This time is sufficient to fully reflect the dynamics of economic competitiveness and its factors and analyze the reasons for this dynamics.

Some indicators (e.g. direct foreign investment, capital investments, the indicators related to GDP) were only available in 2012; that is why for the

assessment of the year 2012 and 2013, the same indicators were used, i.e. for the assessment of the year 2013, the indicators of 2012 were applied.

Results of empirical research

The dynamics of economic competitiveness index of Lithuanian and Polish cities during the period of 2008 – 2013 varied by different cities (see Figure 1). During the whole period of analysis, first places were taken by Polish cities – Bialystok and Elk, making a large gap from Lithuanian cities by economic competitiveness. In 2008 Elk UECI slightly exceeded Šiauliai UECI, but in 2009 and 2010 the economic development has gained a strong rate of growth, thus increasing the economic gap from Lithuanian cities. Meanwhile, the global financial crisis has strongly affected Lithuanian cities and their UECI, in contrast to the Polish cities, fell sharply in 2009 – 2010. During the whole period of analysis, the border region cities from the Lithuanian side – Marijampolė and Alytus - took the lowest position among the cities analyzed.

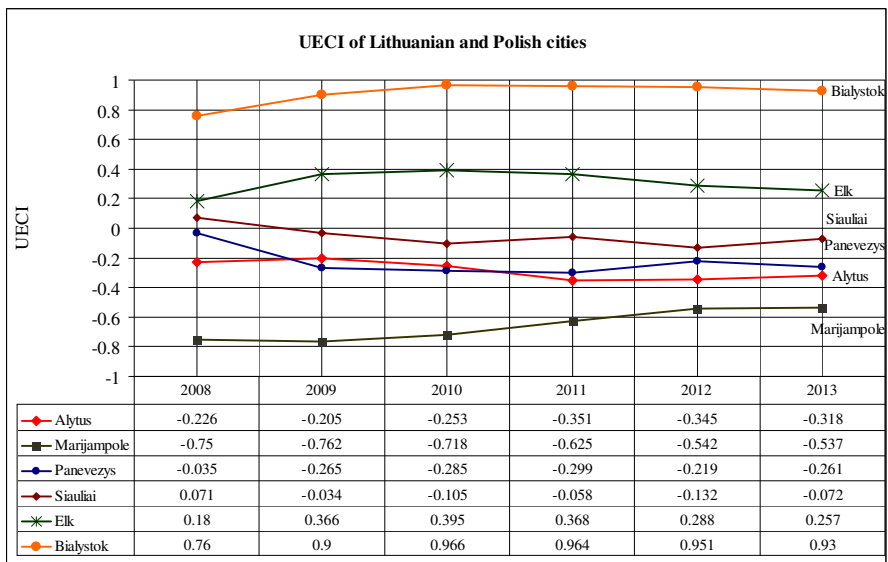


Fig. 1. Dynamics of the economic competitiveness index of Lithuanian and Polish cities in the period of 2008 - 2013 years

Economic competitiveness index by factor groups in compare to most and less competitive cities in 2013 is presented in figure 2. Elĳ is presented in blue, Alytus - in red.

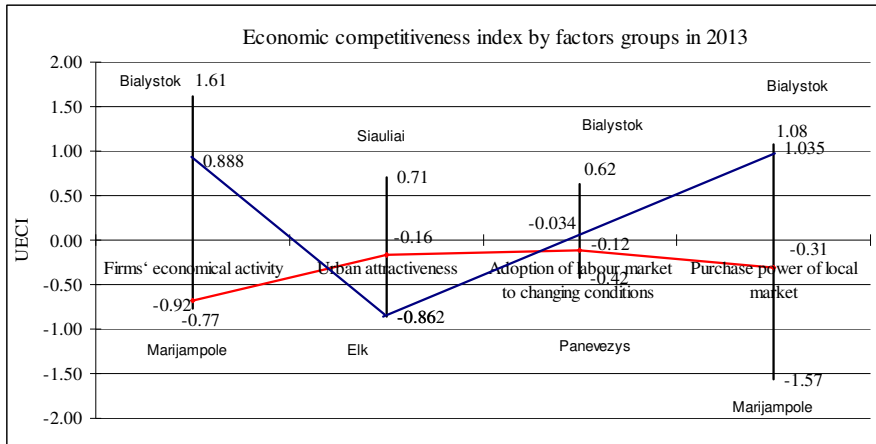


Fig. 2. Economic competitiveness index by factors groups in 2013

During the whole period of analysis, the economic activeness of Alytus' enterprises was relatively low, ranked in the fifth position, leaving behind only the enterprises of Marijampolė, which in 2008 - 2013 ranked in the sixth position. The most competitive enterprises were in the cities of Poland - Bialystok (first place) and Elĳ (second place). Analyzing the attractiveness of the city components, it can be said that the UECI analysis only verifies that border cities are characterized by a low investment attractiveness and awareness. During the whole period under analysis, the awareness of Alytus was the lowest, compared to the other cities, and was positioned in the sixth place, while the investment attractiveness (only with respect to material investments) - the fourth or third place.

Similar problems were encountered by the Polish city of Elĳ. The highest population density was noted in the cities of Bialystok and Elĳ, ranking in the leading positions according to the local market demand scale during the whole period of analysis. By the population density, Alytus took the fourth position in the period under analysis, leaving behind Marijampolė (sixth place) and Šiauliai (fifth place). This indicator reveals that the Polish urban market is bigger, which suggests the relevance of international economic cooperation, especially from the side of Lithuanian cities. Wide was the range of variation in the position of Alytus by labor market adjustment to the changing conditions: in 2008 it took the first place, in 2009 - 2011 – the third place, and in 2012 - 2013 – taking the fifth

position. According to the age structure of population and migration, during the whole period of analysis, Alytus city took the first place (Panevėžys - in the lowest position, while Bialystok and Elk – respectively in the third and fourth position), whereas by the attractiveness of jobs Alytus ranked in the lowest position (in 2009, 2011 – 2013 - the sixth place), which also led to a low Alytus city's position in labor market adjustment to the changing conditions. Alytus was characterized by the highest levels of unemployment and the average (with respect to all cities analyzed) gross salary paid (by this indicator Alytus ranked in the fourth position). The most attractive jobs were identified in the cities of Bialystok, Šiauliai and Elk with the highest salaries paid.

The scientific literature (Bruneckienė et. al, 2012) includes indications that in order to assess urban competitiveness, similar cities should be compared. Given the recent methodological recommendation and the data presented in Figure 1 and 2, the following groups of cities – competitors shall be distinguished: group of Bialystok, Šiauliai, Panevėžys and group of Elk, Alytus and Marijampolė. In order to identify the specificity of economic competitiveness of cities located closest to the Polish - Lithuanian border, the competitive strengths and weaknesses of the latter cities are identified, compared to Bialystok, Šiauliai and Panevėžys (see Table 3).

Table 3. Strengths and weaknesses of Elk, Alytus and Marijampolė in 2013, compared to Bialystok, Šiauliai and Panevėžys

Strengths	Weaknesses
Created conditions for the education and business partnership: developed science and education infrastructure	Weak and decreasing purchasing power of the local market: a decreasing local market demand (increasing number of people who face economic difficulties) and the level of material well-being.
Sufficient labor supply: a large proportion of the population of working age	Low productivity of companies
Relatively low labor drain, posing no threat to the staff turnover: a relatively small emigration	Insufficient economic relationship with foreign markets
The city municipality's promotion of investment	Low investment attractiveness and awareness of the city
An operating business support system in the city municipality, promotion of the average and small business	Insufficiently efficiently functioning labor market: too small number of jobs against the city's potential labor force (high unemployment), lack of skilled labor
Promotion of youth employment	Lack of entrepreneurs, enabling to bring economic breakthrough, new approaches and ideas to the city

The economic competitiveness research revealed that one of the decisive reasons for a low position of the border region cities among other cities is a low investment attractiveness and insufficient business conditions which facilitate a competitive urban business development, leading to a diminished economic well-being not only for individual residents, but for the whole city as well. Modern companies have realized that their own economic goals and corporate competitiveness is directly related to the city's economic and social well-being and progress. Therefore, business leaders are increasingly developing their competitive market strategies based on the shared value concept, when the company's competitiveness is combined with the city's development. Only the company's strategic actions which are focused not only on improving competitiveness of the company, but also on the development of the city's well-being, in a long term perspective ensure and bring benefit from the city's prosperity to the company itself. Thus, the implementation of the total value principles within the urban economic value creation process would ensure economic competitiveness of both the companies and the city, and this is becoming a mandatory condition for ensuring urban economic growth. Thus, an active co-operation between municipalities, entrepreneurs and young people has become not an issue of fashion, but rather the necessity and an essential condition for maintaining competitiveness and increasing the welfare of the city. Moreover, international economic cooperation undoubtedly benefits to both cities of different countries, therefore the establishment, development and maintenance of economic relations is an important, and for the border region cities – an essential prerequisite for increasing its competitiveness and welfare, especially under the context of urban shrinkage.

Conclusions

Caused by different yet interconnected processes of globalization, demographic change, outmigration, uneven economic development, suburbanization and other, in the decade urban shrinkage has become an unwanted development scenario for a growing number of cities around the world. Shrinkage is a particularly frequent scenario of cities located close to the national border and distant from main national centers of power and economy.

Urban shrinkage can be explained as a manifestation of city's population loss, high unemployment rate, industrial decline, degradation of built environment. The shrinkage processes can and must be managed in order to prevent from occurrence of even more severe social-economic-environmental problems within the area, which in turn may negatively

affect the socio-economic development and competitiveness of the surrounding region or even nation.

An active economic and social cooperation between different countries' border regions can be a successful tool to activate the socio-economic life in these regions, successfully exploit the potential of the border region and turn the region into a center of economic growth. This can promote not only regional cohesion, but also contribute to the overall national economic growth.

The selection of economic competitiveness assessment methodology for the border region cities is significantly affected by their availability at the Lithuanian and Polish cities level and the differences of the same data calculation methodologies between countries.

In the economic competitiveness assessment methodology for the Lithuanian and Polish border region cities, introduced by the authors, the factors are grouped into four categories: corporate competitiveness, attractiveness of the city, the labor market adjustment to the changing conditions and the purchasing power of the local market.

The empirical research has proved that the developed economic competitiveness evaluation methodology can be actually used as a tool for economic analysis at the regional level, distinguishing individual cities' competitive strengths and weaknesses, evaluating the dynamics of change in the urban economic competitiveness from the time and competitors perspective, and as a strategic planning tool for justifying and making strategic decisions on the improvement of regional or urban competitiveness. In addition, the methodology can be used as a tool for information and promotion of the city's economic competitiveness, as well as the quality of life, conditions for business and operational efficiency of public authorities.

Under the globalization conditions, especially cities, which suffer from urban shrinkage, have to find new and modern means and attitudes for increasing urban competitiveness. The researches proved, that the increase of economic cooperation among different cities and the incorporation of shared value concept into cities and companies development strategy may increase the economic competitiveness of cities and make it more attractive for different target groups.

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