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TOURISM PRODUCT CREATION AS A BASIS OF ECONOMIC PROSPERITY OF A DESTINATION*

Abstract. How to develop local tourism is the question for many municipalities nowadays. They are aware that tourism has significant economic, social, political and cultural impact that can be used in their operations. The complex of historical buildings in the region of Presov-Solivar was in 1970 declared a Cultural Heritage Monument. Although Solivar is accessible by public transportation and it is located on both sides of the road to Dubnik, which is deposit of precious opals, it is visited only rarely. It is not totally out of interest of local self-government or visitors, but its exploitation for the benefit of the city residents is minimal so far. Opinions of tourism actors concerning various approaches applying towards the tourism destination development are statistically evaluated and presented in this paper.

Keywords: tourism; tourism product; region; municipality; local development; Presov-Solivar.

JEL Classification: R58, L83

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СТВОРЕННЯ ТУРИСТИЧНОГО ПРОДУКТУ ЯК ОСНОВА ЕКОНОМІЧНОГО ПРОЦВІТАННЯ ТЕРИТОРІЇ

Анотація. Як розвивати місцевий туризм – це нагальне питання для багатьох муніципалітетів Словаччини. Вони розуміють, що туризм справляє значний економічний, соціальний, політичний і культурний вплив на розвиток територій, але не знають, як цю перевагу можна максимально використовувати у своїй діяльності. Яскравий приклад тому – Прешов-СОЛІВАР. У цьому регіоні розташований комплекс історичних будівель, багато з яких у 1970 році було оголошено пам'ятниками культурної спадщини. СОЛІВАР має вигідну локалізацію – по обидва боки дороги до Дубніка (до нього можна добратися на громадському транспорті), а також родовище дорожочинних опалів, однак туристи відвідують цей регіон досить рідко. Можна говорити, що туристичний продукт території дотепер мінімально використовується місцевим самоврядуванням в інтересах громади. Автори статті провели ряд опитувань туристичних акторів, щоб з'ясувати їхню думку щодо ситуації, яка склалася в регіоні. Для статистичної оцінки отриманих результатів анкетування були використані різні підходи, які представлені у статті.

Ключові слова: туризм, туристичний продукт, регіон, муніципалітет, місцевий розвиток, Прешов-СОЛІВАР.

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СОЗДАНИЕ ТУРИСТИЧЕСКОГО ПРОДУКТА КАК ОСНОВА ЭКОНОМИЧЕСКОГО ПРОЦВЕТЕНИЯ ТЕРРИТОРИИ

Аннотация. Как развивать местный туризм – это насущный вопрос для многих муниципалитетов Словакии. Они понимают, что туризм имеет значительное экономическое, социальное, политическое и культурное влияние на развитие территорий, но не знают, как это преимущество можно максимально использовать в своей деятельности. Яркий пример тому – Прешов-СОЛИВАР. В этом регионе расположен комплекс исторических зданий, многие из которых в 1970 году были объявлены памятниками культурного наследия. СОЛИВАР имеет выгодную локализацию – по обе стороны дороги к Дубнику (до него можно добраться на общественном транспорте), а также месторождение драгоценных опалов, однако туристы посещают этот регион достаточно редко. Можно говорить, что туристический продукт данной территории до сих пор минимально используется местным самоуправлением в интересах граждан. Авторы статьи провели ряд опросов туристических актеров, чтобы выяснить их мнение относительно ситуации, сложившейся в регионе. Для статистической оценки полученных результатов анкетирования были использованы различные подходы, которые представлены в данной работе.

Ключевые слова: туризм, туристический продукт, регион, муниципалитет, местное развитие, Прешов-СОЛИВАР.

Introduction and Brief Literature Review

Tourism, mainly as an important component of the so called leisure industry, has become a significant phenomenon in the last decades. Its economic, ecological, social, political, cultural and other effects form an indisputable part of the reality transformations today.

Project 'A communicating town' carried out in the Czech and Slovak Republic at the end of the last century showed that people as well as town hall representatives entertained great hope of tourism use. They saw it as a source of income for towns and an opportunity for job creation (Foret & Foretova, 2001, p. 9). Declaration adopted at the World Tourism Leaders' Meeting

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(World Tourism Organization – WTO) in Manila in 1997 (Manila Declaration) required greater support of communities in planning, implementation, monitoring and evaluation processes of tourism, as well as the need for introducing public campaigns that would inform people of the benefit to be gained from tourism development. World Travel & Tourism Council – WTTC adopted a similar declaration at the Summit of Tourism held in Portugal in 2000. The so called Vilamoura Declaration 2000 comprises the following recommendations (Foret & Foretova, 2001, pp. 9-10) are especially to continue to promote the importance of tourism as a force for economic growth, to develop tourism that is sustainable and enriching – economically, socially and ecologically; to promote a unique role of tourism in technological progress as an instrument for fulfilling human desires. The results of the WTTC Summit held in Vilamoura in 2003 (WTTC 2003) are alike. There is no doubt that tourism contributes to the development of a place, i.e. it creates entrepreneurial opportunities and job vacancies, brings required investment including foreign one and improves living standards of people. ...But it also requires a certain level of services, especially leisure ones (Orieska, 2011).

Materials and the methods

Cultural potential of regions or particular localities is an important factor of their economic development. Through cultural tourism it may considerably contribute to job creation for people as well as to opportunities for meaningful leisure activities. Cultural potential is formed by cultural heritage, cultural facilities and life events such as professional art or folk culture performances. The development of local tourism is directly or indirectly associated with local cultural heritage and historical background. Thus we based our examination on the works of geographers, economists, and managers in tourism at the historical background of the Presov-Solivar site.

The aim of a survey conducted among tourism professionals in Presov and its vicinity was to find out the opinion on using particular scientific concepts and theories applied to innovation and creation of tourism products in the given area.

Results and discussion

Presov has good potential for tourism development. However, the city has not managed to fully realize it in recent years. The tourism industry thus develops particularly in traditional areas, which customers are used to (most frequently in the historical centre of the town). Demand in the tourism market should lead to supply. The strongest domestic tourism participants' motive is the stay in the mountains, near the water or in spa towns – in terms of motivation these three groups of domestic tourism participants make around 75%. These are followed by visits to attractions offered by cities as larger urbanized units with the mission in the socio-economic area of a region. Foreign participants want to see more, visit what is unique and get to know the unfamiliar when travelling through the country. It is therefore necessary to use potential localities as positive externalities. Demands of tourism participants for services vary (Fulkova, 1996; Jarabkova, 2004, Orieska, 2011). Foreign visitors' motives for recreation in the Slovak Republic are of insufficient portion. Surprisingly, almost 90% of the active foreign tourism in Slovakia depends on visitors from the Czech Republic, Germany, Hungary, Poland, Austria and Ukraine (Malachovsky, 2001). An important prerequisite for the use of cultural potential of regions is creation of appropriate tourism products and thematic and adventurous cultural routes (Sambronska, 2012, Gburova, 2013). Presov-Solivar locality is an exceptional tourism product the assessment of which will be based on several concepts of tourism operation: tourism product based on economic concepts; concept of tourism as an encounter of communities and cultures (cultural concept), historical connections between domestic inhabitants, the Austrians, Poles and Germans; concept based on the functions of territory values (geographical approach) (Cuka, 2011; Huttmanova, Adamisin, & Chovancova, 2013).

Up to our experience it is possible to state that in mentioned area it is possible to build on: theory of innovation diffusion (on the basis of historical acceptance of the latest; achievements of science and technology of which many are

nowadays treated as the technical unique); theory of industrial localization; psychological theory of experience and active creation of tourism policy.

It is a product in the form of service, a facility and event. In order to evaluate those approaches it is necessary to characterize several factors of the locality.

The surroundings of Presov have been known for salt deposits of a significant importance for a man as irreplaceable foodstuff and a strategic source. Abundant reserves of this mineral created conditions for mining to such an extent that this region can be considered as one of the oldest one in Slovakia in terms of mining and history. Documented evidence dates back to the period of the Roman settlements in the area. The most preserved archives date back to the 15th century (Butkovic, 1978). Indications of the salt can be found in legends about the three castles (Saris, Kapusansky, & Solny/Zbojnicky Castle, etc.) in a nearby area. A few kilometres away from the location in the Slanske hills there is Dubnik area, where precious opal was mined in the past centuries. Dubnik deposits had had a monopoly on opal supply to the whole Europe for centuries until new Australian deposits were discovered. In 1771, the largest known piece of precious opal, weighing 3 035 carats, Harlekyn, currently preserved in the Natural History Museum in Vienna as a part of Austria-Hungary crown jewels, was found here.

In Solna Bana that later became the part of Solivar (currently the part of Presov) there is a complex of technical buildings where salt was boiled and stored. The complex of Solivar consists of six units. These include salt bathing pool (gapel), reservoirs of brine, boiling room called Frantisek, salt storage houses, knocking tower (klopacka) and other buildings including miners' church, chapel and original miners' houses that have been rebuilt with preserving the original layout of the locality. This gives a good overview of an interesting urban structure of the site. The building complex is a cultural and technical heritage site managed by the Technical Museum in Kosice at present. According to historical documents the salt works included a mill and sawmill. A large regional significance of the salt works in the past centuries is proved by association between craftsmen, mills, inns and blacksmith workshops and the salt works administration. Supervising authorities in Hungary were regularly informed about their activities. Those included the use of forests, meadows and fields, brewery, distilleries, opal mines, spa in Herlany, brickworks and many other facilities.

In literary sources it is possible to find many unique memories and records that allow and help to the creation of powerful story as a base of tourism product, that haven't been used before. In such we can mention for instance: story of Avar Queen Isra and her salt castle (From history..., 2014); Meeting of the Polish prince and Hungarian king in the territory of Solivar (year 1004) (Juscak, 2011); Sissi and her visit to Solivar (1895) (Empress Sissi..., 2013); Oaks from the village Kokosovce as a building material used for the construction of ships of Columbus (Timkova, 2012); Specific elements of transport infrastructure – 19 km long navigable channel and later narrow gauge railway that transported firewood for the salt production (Brehuv et al., 2010); Experience from lace making school of opal searching close to Dubnik (Barok & Semrad, 2001; Semrad & Kovac, 2000).

Survey we conducted in second half in 2013. Targeted were students of Tourism, hospitality and Spa industry program studying at Faculty Management and students of Faculty of Arts, University of Presov in Presov and professionals of various tourism establishments in the region. The sample of students «A» consisted of 230 respondents, file «B» consisted of 52 were professionals. For both questions, respondents could tick two answers. Evaluation of response was performed by analyzing dependencies and rated/ evaluated by chi-test. The divergence/convergence of views was compared between the two groups of respondents. When asked where they were to choose the skeleton of the story for the creation of future new product associated with the site Solivar, respondents could select up to two options. Responses are recorded in Table 1. Index means the rank of responses.

It can be seen that the responses of both groups of respondents were similar. The most significant theme of a new product seems to be «Royal route» (students) and «Empress Sissi» (experts). «Kokosovce oaks» that were used for building Columbus's ships and «Searching for opal» seem to be equally popular. The experts have included also a wooden sluice and a railroad. The school of lacing, the attractiveness of which decreased probably due to many courses and available literature, was rated as the least popular. Despite that, this theme should not be rejected because of relatively low costs and attractiveness to some target audiences as a part of the silver economy. The p-value of 0,009 of chi-squared test assessing diversity/conformity indicates statistically significant difference between groups' opinions on the theme used as a basis of a tourist product. Both groups consider a historical topic important: Empress Sissi and Royal route, which are events associated with historical figures at the end of the 2nd millennium. We think that the connection of those events might be effective.

The second survey question referred to using particular concepts and theories that would be most appropriate for the creation of a new product. The results are shown in Table 2. Index means the rank of responses.

The respondents consider the use of cultural concept to be the most appropriate for the creation of a new tourism product. This concept is based on the encounter of communities and cultures that has been frequent and varied in the locality. When assessing chi-square distribution, the p-value was high – 1,054 (higher than the critical value 0,05). Thus we are entitled to claim that there is no statistical significance between opinions of both groups relating to the most appropriate scientific concept. The cultural concept of product creation can reach tourists belonging to nations that participated in salt mining in the locality. The link to the proposed topic of «Empress Sissi» might reach historical nations of Austria-Hungary since her popularity is still very high in Europe. Experts ranked the concept or active policy making as second, which is related to their expertise and active participation in tourism. Students ranked the approach based on industry location as second as this is attractive for younger target groups due to its technical aspects.

Various associations of local activists have attempted to 'revitalize' and innovate tourism product in the given territory. For example: local association of women as an interest group (or the so called action association) has created the Museum of Bobbin Lace that is becoming forgotten due to various pragmatic reasons; the Technical Museum had provided a historical salt boiling room to a small-and medium-sized entity that was supposed to create a unique historical facility with catering services there, however due to a low public interest, the operation was cancelled; Presov designed a project on the reconstruction of the historical salt storage house damaged by fire and its transformation to a congress centre. The project is entitled, Reconstruction of the Solivar Salt Storage House in Presov; with a planned financial contribution of: EUR 2 486 156 and the period of implementation from 04/2013 to 09/2014. The last option will allow Presov municipality to have a representative facility for organizing congresses and conferences in this attractive, quiet area of the town with a very good accessibility. This specific tourism form of primary importance in many localities creates good conditions for its connection with other incentives (Ryglova et al., 2011; Matusikova & Plavcanova, 2012).

Conclusion

Creating new and innovating existing tourism products may be a driver of local travel and tourism. This development should

Tab. 1: The views of respondents on the carrier theme product (%) and rank

Thematic Line	Queen of Avara	Empress Sissi	Kokosovce oaks	Railway and sluice	Lacemaking school	Opal search	Royal road
%							
A	10,86 ^V	22,47 ^{II}	14,07 ^{IV}	8,15 ^{VI}	2,96 ^{VII}	15,56 ^{III}	25,93 ^I
B	4,80 ^{VI}	21,61 ^I	13,53 ^{IV}	18,27 ^{III}	9,10 ^{VII}	10,58 ^V	22,11 ^{II}
Total	9,62 ^{VI}	22,99 ^{II}	14,54 ^{III-IV}	10,22 ^V	2,94 ^{VII}	14,54 ^{III-VI}	25,15 ^I

Source: Own processing

become one of the main forces for socio-economic changes in our towns and regions. It should mainly encourage engagement of private businesses and local entrepreneurs and people in those activities. The local and regional self-government should unite interests of particular public groups and coordinate their tourism activities. It should consider the development of tourism and leisure services as one of its main strategic objectives.

It might be stated that Presov-Solivar is a historically unique locality waiting to be rediscovered by tourists and for the shift of its position in tourism. Given that, we highlight the following principles formulated by our and foreign authors (Foret & Foretova, 2001; Papcunova et al., 2007): Active involvement of people including local small business owners who will jointly support creation of tourist sites that will attract domestic and international visitors; Recognizing a leading role of local government to create conditions for cooperation (partnership); determine main directions and priorities of the development of a place or locality; Adopting local tourism policy; Applying marketing principles; Applying positioning principles that in case of local communities includes active position seeking in the tourism market, their unique branding among target audience, and competitive communities; Creating client-friendly rather than commercial atmosphere in the Tourist Information Centre in the town that would focus on the client (providing relevant information about and recommendations for the Solivar technical monument).

Tab. 2: The views of respondents on the adequacy of the approach (%) and rank

Concept	Economic concept	Cultural concept	Concept of area value	Theory of innovation diffusion	Theory of industrial localization	Theory psychological experience	Active creation of tourism policy
%							
A	4,95 ^V	27,72 ^I	19,80 ^{III}	17,08 ^{IV}	24,26 ^{II}	2,48 ^{VII}	3,71 ^{VI}
B	2,88 ^{VII}	29,81 ^I	7,69 ^V	3,81 ^{VI}	15,38 ^{IV}	18,27 ^{III}	22,16 ^{II}
Total	4,53 ^{VII}	28,15 ^I	17,32 ^{III}	14,37 ^{VI}	22,44 ^{II}	5,71 ^{VI}	7,48 ^V

Source: Own processing

In terms of the survey it is necessary to focus on earlier and later historical events, for example Empress Sissi, who visited the site in 1895 as well as a forgotten meeting of the Hungarian king Stefan and a Polish nobleman Boleslav Chrabry that enhance a historical value of the site and make it more attractive. These innovations are to be linked to principles of cross-cultural encounters that will highlight cross-European culture in the history of the given site and will attract tourists from various countries (including non-European ones).

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ПРОБЛЕМЫ РАЗВИТИЯ ЭКОНОМИКИ И УПРАВЛЕНИЯ ТРУДОВЫМИ РЕСУРСАМИ РЕГИОНОВ

Аннотация. В статье выделены основные проблемы, характерные для экономики и рынка труда субъектов РФ, и в частности Северо-Кавказского федерального округа. Подчеркивается, что, переплетаясь и дополняя друг друга, обозначенные проблемы оказывают существенное влияние на поведение работодателей и наемных работников. Принимая это во внимание, автор предлагает пути совершенствования государственной региональной стратегии социально-экономического развития, делая акцент на трансформации макроэкономического регулирования в масштабах страны, округов и регионов с учетом современных рыночных трендов.

Ключевые слова: региональная экономика, рынок труда, трудовые ресурсы, миграция населения, регионы России, Северо-Кавказский федеральный округ.

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ПРОБЛЕМИ РОЗВИТКУ ЕКОНОМІКИ ТА УПРАВЛІННЯ ТРУДОВИМИ РЕСУРСАМИ РЕГІОНІВ

Анотація. У статті виділено основні проблеми, характерні для економіки та ринку праці суб'єктів РФ, і зокрема Північно-Кавказького федерального округу. Підкреслюється, що, переплітаючись та доповнюючи одна одну, означені проблеми справляють істотний вплив на поведінку роботодавців і найманих працівників. Беручи це до уваги, автор пропонує шляхи вдосконалення державної регіональної стратегії соціально-економічного розвитку, роблячи акцент на трансформації макроекономічного регулювання в масштабах країни, округів та регіонів із урахуванням сучасних ринкових трендів.

Ключові слова: регіональна економіка, ринок праці, трудові ресурси, міграція населення, регіони Росії, Північно-Кавказький федеральний округ.

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PROBLEMS OF REGION'S ECONOMIC DEVELOPMENT AND HUMAN RESOURCES MANAGEMENT

Abstract. *Introduction.* Russian regions differ significantly from each other in terms of socio-economic development, unemployment, investment attractiveness, and degree of industrialization. Topicality of the problems of regional socio-economic development of the North Caucasus Federal District is enhanced by the fact that multiple differences on key indicators are resulting in a significant difference in the level of unemployment, income and quality of life of the population. This situation indicates usage of inefficient methods (tools) and approaches in state regulation of the economy and wounds the regional workforce in North Caucasus Federal District. That highlights the revitalization of public authorities to identify points of economic growth, development priorities within the District for the purpose of leveling the negative consequences of the current crisis situation. *Purpose.* Determination of the major problems hindering the sustainable socio-economic development of North Caucasus Federal District and development of recommendations to improve the situation in the area. *Methods.* The paper applied the methods of comparison, economic and statistical analysis. *Results.* The study enables us to provide the following results: 1. The basic key problems of economic development and social and labor sphere prevent formation of favorable investment climate. 2. It is determined that under the conditions of labor surplus, competition in the form of civilized market is not possible, because labor supply far exceeds demand. 3. It is proposed to reduce the education system, and the scope of professional training in line with the real needs of the economy and social sphere 4. It is revealed that labor surplus and shortage of jobs in republics of North Caucasus Federal District causes large migration outflow. *Conclusion.* Account of the obtained results will reduce negative trends of the crisis, creating conditions of stability for socio-economic system functioning.

Keywords: Russian regions; regional economy; labor market; workforce; migration; North-Caucasian Federal District.

JEL Classification: J23, J68, R23