Organizational-economic mechanism of management innovative development of economic entities

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M. Bezpartochnyi

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Mechanizm organizacyjno-ekonomiczny zarządzania innowacyjnym rozwojem podmiotów gospodarczych

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The authors of the book have come to the conclusion that it is necessary to effectively use modern approaches the management of innovative development the economic entities in order to increase the efficiency of activity, to ensure competitiveness, to intensify innovation activity. Basic research focuses on assessing of the level competitiveness and economic security of enterprise, innovative ensuring of economic entities, analysis of human capital, estimation of alternative sources financing of innovation activity of economic entities. The research results have been implemented in the different models of formation the innovation policy of enterprise, mechanisms of innovative processes management of economic entities, introduction of crowdfunding, and improvement of the tax system for innovation development, integration of education, science and production. The results of the study can be used in decision-making at the level the economic entities in different areas of activity and organizational-legal forms of ownership, ministries and departments that promote of development the economic entities on an innovative basis. The results can also be used by students and young scientists in modern concepts and mechanisms for management of innovative development the economic entities in the context of efficient use the resource potential and improvement of innovation policy.

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Contents

INTRODUCTION ……..…… 10

Chapter 1
THEORETICAL FOUNDATIONS MANAGEMENT INNOVATIVE DEVELOPMENT OF ECONOMIC ENTITIES ……... 11

Kucherenko S., Levaieva L., Malyshko V.
Evaluation methods of the agricultural enterprises competitiveness level ……..... 11

Larionova K., Donchenko T.
The essence of the loan portfolio consumer lending of bank and the need for effective management ……... 22

Lukianchuk O., Tkachuk T.
Innovative development of enterprise: essence, factors, element of economic security …… 31

Mints A., Kamyshnykova E.
Methodological approach for assessing corporate social responsibility on the basis of balanced scorecard ……... 39

Shumska S.
Innovation in economic development of Ukraine: from theory to current state and empirical results ……... 48

Zhuvahina I., Zamaraikina T., Zamaraikin O.
Theoretical-methodological ensuring of formation the innovational policy of machine-building enterprise …… 60

Chapter 2
MECHANISMS MANAGEMENT THE INNOVATION PROCESS OF ECONOMIC ENTITIES …….... 69

Kuzmenko O.
Theoretical aspects of trade enterprise and population needs ……. 69

Kuzmin O., Murzina A., Dmytrenko M., Shamshur A., Yefymovych P.
Innovative studies of the quality of the semi-finished soufflé with position of the norm of physiological needs of human ……... 78

Mozhaikina N., Ostrovskyi I.
Institutionalization of innovational processes: problems and perspectives of the regions of Ukraine ……..….. 87

Rosso M.
Mechanisms of innovation process management of economic entities in the world economic space …….... 96

Rynkevich N.
Organizational-economic mechanism of management development of organizational culture of enterprises ……. 119

Sysoiev V.
Innovative provision of logistics business entities ……..... 128

Chapter 3
FORMATION AND EFFECTIVE USE THE INNOVATION POTENTIAL OF ECONOMIC ENTITIES ……..… 137

Doroshuk H., Gratsiotova H.
Essence and types of potential of changes at the enterprise ….…... 137

Kulko-Labyntseva I.
Advanced innovative development of industrial enterprises …... 147

Moroz O., Blagodyr L., Filatova L.
Concept of workable competition based on system approach and firm perfomance ……... 156

Pchelianska G., Dybchuk L., Holovchuk Yu.
Logistics infrastructure of the food market ……...… 170

Yoltukhovska O.
Methodology of human capital analysis at an enterprise …….. 179

Yurchenko N.
Development of integrated marketing approach in the tourism industry management …… 189

Chapter 4
FINANCIAL ENSURING OF MANAGEMENT INNOVATIVE DEVELOPMENT OF ECONOMIC ENTITIES …….. 198

Datsenko H.
Identification of financial security of enterprise with the use of indicators of financial control ……... 198

Pakhnenko O.
Alternative sources of funding for innovative activities of business entities ……... 209

Riznyk V., Riznyk N.
Crowdfunding as an innovative tool for financial support of business in Ukraine …….. 219

Trushkina N.
Financial ensuring mechanism of management innovative development of the transport-logistics system …….. 227

Voronina O., Fedorova Yu.
Institutional-economic instrument of modernization of the financial model of medical insurance system (on example of Kharkiv region) …… 237

Chapter 5
INNOVATIVE STRATEGY FOR DEVELOPMENT OF ECONOMIC ENTITIES AS A FACTOR OF THEIR COMPETITIVE ADVANTAGES …….. 246

Lysiak N., Lekh I., Chorna I.
Organizational and economic mechanism of investment activities of local authorities of Ukraine ……... 246

Panteleiev V.
Domain of internal audit of innovative activities of business entities ……..... 257

Rassokha I., Blazhko L., Dobryanska V.
Developing and realization software of statistical analysis the internet-network for sales and service of road transport 266

Shamshina T., Koryuhina C., Riashchenko V., Bezpartochna O.
Gamification. Haven't we overplayed? ……. 275

Sitkovska A.
Model of analysis and management of competitiveness at agrarian enterprises ……. 287

Yevtushenko H., Kantsur I.
The incipience and awareness of the management-education role in Ukraine in the conditions of economic instability ……... 296

Zakharchenko P., Kostenko A., Gorbachova I.
Competitiveness of the resort-recreation sphere in conditions of innovation development ……...……..... 307

Chapter 6
STATE AND REGIONAL POLICY OF MANAGEMENT INNOVATION DEVELOPMENT AND DIRECTIONS OF IMPROVEMENT ……...…….. 316

Abramova O., Bieliaieva L., Peniak Yu.
Directions of the Ukraine tax system improvement for innovative development of the state …….... 316

Melikh O., Melikh T.
Ukrainian regional surroundings development of tourism firms and enterprises ……. 325

Segeda I., Bogdan N., Ryabev A., Obolentseva L.
Theoretical principles of management innovative development of the hotel industry …… 336

Shedyakov V.
Creation and realization of organizational-management strategy during paradigm transformation …… 345

Sotula O., Denysenko V.
The implicit impact of the higher education system on regional development of Ukraine …… 365

Tymoschenko M., Sokolova A., Sychuk L.
Innovative basis for ensuring of integration the agricultural education, science and production: problems and prospects …… 374

Vedernikov M., Kravets I., Harvat O., Forkun I.
The standard of living of the population of the Khmelnytsky region: the state and innovative aspects of growth …… 385

CONCLUSION ……. 400

INTRODUCTION

Progressive institutional and structural transformations of the economy require intensive updating and provision of programs, plans and projects for the management of innovative development the economic entities, positive changes, significant improvement of the regulatory environment, creation of appropriate conditions for modernization of industries and enterprises on the basis of latest technologies. Providing innovative development the economic entities is impossible without reorganization and improvement of the theory and practice of development of management systems of these processes.

In order to ensure the development of economic entities on an innovative basis in modern conditions of activity the necessary foundation is to intensify innovation processes in all spheres of activity and to direct the efforts of all elements of the organizational structure to the implementation of the tasks. The effectiveness of innovative development the economic entities is determined by the ability of the management system to influence on all business processes of the enterprise and to coordinate its internal capabilities with the challenges of the environment in order to ensure competitiveness and strengthen market positions.

The purpose of writing this collective monograph is to substantiate theoretical-methodological foundations and development a management system of the development of economic entities in a globalizing environment, taking into account transformational changes in the international economic environment.

The object of the authors' research was the process of management the development the economic entities in conditions of resource constraints, the specifics and trends in the development of economic entities under the influence of factors of the internal and external environment, the generalization of world experience in the management of development the economic entities in order to improve efficiency of the formation and use of the resource potential and innovative activity the economic entities in various spheres of the national economy in conditions globalizing.

The subject of research were various processes of formation and effective use of innovative potential the economic entities; formation of organizational-economic mechanisms for management of innovative development the economic entities; use of credit-financial and investment instruments to stimulate innovative development the economic entities; improving of intellectual and personnel potential of innovative development the economic entities; consideration of practical aspects of innovation development management in different sectors of the economy.

Chapter 1

THEORETICAL FOUNDATIONS MANAGEMENT INNOVATIVE DEVELOPMENT OF ECONOMIC ENTITIES

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EVALUATION METHODS OF THE AGRICULTURAL ENTERPRISES COMPETITIVENESS LEVEL

Measuring competitiveness is an integral part of the formation and maintenance of competitive advantages. However, with the exception of large vertically integrated structures, this assessment is not carried out by national economic entities agribusiness. For the most part, this is due to the calculations complexity, lack of necessary information and perception of competitiveness content indicators. Considering the above, as well as the results of previous theoretical and methodological generalizations, it is possible to formulate the basic requirements that should be taken into account in developing the methodology for competitiveness evaluation.

Firstly, it is necessary to meet the developed methodological approach available to enterprise information resources and personnel training. This requires the adaptation of the methodology to further automation based on specialized software. Secondly, the evaluation results should be easily interpreted. This will enable to use it in the competitiveness management. And, thirdly, the proposed indicator should correspond to the essence of competitiveness, and its components should correspond to its hierarchical structure.

Given the nature of the enterprise's competitiveness, it can be argued

that one of its main characteristics is relativity. This is due to the fact that the analysis of competitiveness involves a comparison of the enterprise with its competitors. A team of authors led by O. Yankovyi defines competitiveness as a latent indicator that can not be measured without value factors-symptoms [1, p. 38]. Consequently, in the generalized indicator of competitiveness, the factors forming it are integrated.

To justify the choice of methods for assessing the competitiveness, they need to be classified. Common to most scientists is the distribution method for qualitative or non-formalized (characterized by low and discrete mathematical formalization of performance evaluations, a high degree of subjectivity) and quantitative methods (provide continuity, a high degree of mathematical formalization and objective results) [1, p. 40; 2; 3, p. 14]. The possibility of rigid formalization and the clarity of the interpretation of the results determine the benefits of quantitative (computational) methods. However, qualitative methods are used in the case of impossibility of numerical measurement of the competitiveness of individual factors.

Matrix methods are the easiest for practical implementation. They are based on building a matrix containing values of several key factors-indicators of enterprise competitiveness (usually the market share and the rates of change). Typically, foreign companies use such matrices (for example, BCG matrices, GE / McKinsey, Shell / DPM, Hofer / Schendel, ADL / LC, Hinterhuber). V. Zinovchuk highlighted the advantages and disadvantages of matrix methods [4]. Summarizing the results of his research, we note that the main advantage of these methods is the relative ease of use and visibility of the results.

However, they take into account only market factors, ignoring the factors of resource supply, production, and management. Another obstacle to their use in the process of competitiveness evaluation is the lack of adaptability to the peculiarities of the small and medium-sized agricultural enterprises functioning and the complexity (and sometimes impossibility) of quantitative measurement of their market share and rates of change. A distinctive feature of matrix methods is that they are focused on a qualitative assessment of the enterprise' competitive position strength, but do not provide numerical characteristics directly to the competitiveness level.

In addition, the matrix of competitive strategies of M. Porter sometimes refers to qualitative methods for evaluating the enterprise' competitiveness level. It is based on the value chain analysis approach. Also, it is based on an analysis of five competitive forces (suppliers,

potential and actual existing competitors, customers, and substitutes), advantages of competitive strategies and chain values results (primary and secondary actions that create entity's value) [5]. The given approach involves carrying out of the strategic analysis of current and prospective positions of the enterprise in the market of a concrete type of products with the purpose of choosing the strategy of struggle with the competition detected forces. However, it is impossible to evaluate the enterprise competitiveness level this way (that is, to answer the question whether it is competitive). The same applies to the SWOT analysis method.

Graphics methods are used to facilitate the perception of evaluation results, which involve the radial diagrams construction. In the radial axes of rating scales value of indicators-factors of the enterprise competitiveness and its competitors [6, p. 103-104; 7]. It should be noted that graphics methods are usually used not for competitiveness evaluation, but to graphically reflect its results. In this case, in our opinion, to attribute graphics methods to the valuation is methodologically wrong. At the same time, on the basis of competitiveness factors designed on the radial diagram, we can calculate the value of the integral index, which is equal to the area of the geometric figure [8]. However, the obtained competitiveness indicator does not take into account the different weight of individual factors [9]. Distortion of the evaluation results causes dependence on the sequence of the location of the axes of factors [10, p. 54].

Heuristic methods are used if the competitiveness factors cannot be measured by financial and economic indicators. They are characterized by a high degree of subjectivity and provide expert assessments [11, p. 245]. However, the complexity, multidimensionality, and multi-criterion of functioning and development of modern economic systems determine the necessity of complementing the computational methods with heuristic methods. In general, the advantages and disadvantages of unformalized (qualitative) methods for enterprises competitiveness evaluation are presented in Table 1.1.

The disadvantages of the presented methods are not inherent in calculation methods, which include an index, boundary, multidimensional methods, methods of integral evaluation, etc. The easiest ways to competitiveness evaluation are based on the identification of the competitiveness indicator with one of the economic indicators (usually, one or more indicators of the efficiency of economic or marketing activities, financial position, product quality, resource availability, etc.) [12, p. 23-24; 13, p. 534; 14, p. 78].

Table 1.1

Characteristics of non-formalized methods for enterprises competitiveness evaluation

Method	Features	Advantages	Disadvantages
Matrix methods (matrix BCG, GE/McKinsey, Shell/DPM, Hofer/Schendel, ADL/LC, Hinterhuber)	They provide a qualitative description of the competitive position of the enterprise. The evaluation results are used in strategic planning.	1. Visibility and simplicity of the results interpretation. 2. The results are the basis for the selection of strategically efficient industries and products types, directions of the investment resources distribution.	1. High degree of subjectivity. 2. Considering only market factors. 3. Considering a small number of factors. 4. The difficulty of measuring the proportion and scale of the market, the rate of growth for small and medium businesses. 5. Evaluate the competitiveness of business activities, and not the enterprise as a whole. 6. Do not provide a generalized quantitative evaluation of the competitiveness level.
Graphics methods	The level of competitiveness is defined as the area of the polygon on the radial diagram. Competitiveness factors are placed on the axes of the chart.	1. Visibility of the results.	1. Do not consider the importance of factors. 2. Dependence on the sequence of factors placement on the axes. 3. Usually provides a competitiveness evaluation of certain products.
Heuristic methods	Used for quantitative measurement of factors that can not be rigid formalization.	1. Provide an opportunity to quantify the weakly formalized indicators.	1. High degree of subjectivity. 2. Insufficient accuracy of the estimates received. 3. Difficulties with the selection of experts.

Source: author's research

However, this approach, which is characteristic for research, does not directly address competitiveness issues, but the efficiency of the enterprise as a whole does not take into account the latency of the

competitiveness indicator and its relative nature.

Index methods consider the economic content of competitive advantages (as sources of competitiveness). Their use is related to the standardization of quantitative assessments of the enterprise competitiveness factors to the values of the relevant indicators of the most successful competitor [15; 16, p. 11]. Rationing of indicators-factors provides their transfer into dimensionless and comparable quantities of each other.

Typically, the index method is used in combination with integral estimation methods. The assessment based on both methods is as follows: 1) the determination of indices (normalized partial coefficients) by individual factors of competitiveness; 2) averaging these indices in a single integrated indicator [17; 18, p. 9; 19, p. 13]. Often integral factor takes into account the importance of certain factors.

This approach forms the evaluation methods based on the provisions of the effective competition theory [7; 20, p. 65; 21, p. 44;]. At the first stage, a set of competitiveness factors is allocated. They are grouped by a number of features. In a functional approach, these are indicators of the efficiency of production management, working capital, sales, as well as the quality and price of products; in the structural approach, these are indicators of the industry monopolization. After that, their expert assessment and further integration into the integral indicator are carried out by summing. The most competitive recognizes an enterprise that has the highest rates within selected groups of factors.

The main disadvantage of using the index and integral methods in the theory of effective competition is the high degree of subjectivity through the application of expert methods. In addition, the result of the interaction of the individual factors is not equal to their amount, which determines the integral coefficient of competitiveness. This groundlessness is explained by the enterprise competitiveness level, which exceeds the sum of its factors.

M. Malik and O. Nuzhna propose to calculate the enterprise competitiveness level by calculating financial and economic indicators, which are defined as competitiveness factors, with their subsequent reduction into an integral coefficient [22, p. 67-69]. I. Yatsiv uses similar approaches to evaluation [23, p. 112-117]. The main disadvantage of this method is the use of non-relative, but absolute values with different units of measurement. In particular, O. Ulyanchenko notes that the summation of these indicators is methodologically wrong [24, p. 32]. In addition, the integral coefficient

calculated this way does not mean comparing the enterprise advantages with its competitors advantages and, accordingly, does not meet the meaning of "competitiveness".

The methods of rating estimation belong to the methods, which provide for comparison of enterprise competitiveness factors and its competitors. Their key difference from the index methods is to translate the normalized (or standardized) values into the rating scale. An integral indicator can consider the weight of individual competitiveness factors. V. Zbarskyi uses elements of the methodology of the rating, conducted on the basis of partial indices. [20, p. 58-65]. In the integral indicator, a scientist takes into account the current competitiveness of products, the level of marketability, potential competitiveness. The relevant indexes are calculated on their basis. Integrating partial index is done by multiplying them. The features, advantages, and disadvantages of the listed calculation methods are presented in Table 1.2.

Methods of multivariate analysis isolated in a separate group of calculation methods. Their use provides for the structural analysis of complex systems described by many factors and identifying patterns of interaction based on classification. These methods are identified as being most suited to the measurement of latent indicators [21, p. 54-57]. The sign of the latency of the resulting indicator is the impossibility of its direct quantitative measurement, but only indirectly through the evaluation of its partial factors. The dynamics of the latent index determines the appearance of a correlation between its factors.

A feature of modern approaches to the competitiveness evaluation is the use of a significant number of productive indicators of agribusiness entities. For example, I. Yarovyi stresses that the production and market parameters are basic competitiveness indicators, reflecting the prospects of consolidating the competitive position of the enterprise [25, p. 59]. In addition, the market share is used in combination with other factors of competitiveness [22, p. 66; 26, p. 182-186; 27, p. 75].

We support the statement of I. Yatsiv, who notes that, since agricultural enterprises operate on the monopolistic market and perfect competition, their market share is small and depends on the size of the enterprise [23, p. 106-107]. Small and medium-sized agricultural enterprises, with a relatively small market share, can be quite competitive due to flexibility and the ability to quickly adapt to unpredictable external challenges. In addition, market share, price, and cost are indicators of product competitiveness.

Table 1.2

Comparative characteristic of calculation methods for enterprise competitiveness evaluation

Method	Features	Advantages	Disadvantages
Index evaluation methods	Normalization factors competitiveness indicators and their representation in the form of standardized partial factors of competitiveness.	1. Provide a comparison of the competitiveness factors. 2. Take into account factors that are measured by qualitative methods.	1. The complexity of data collection. 2. Often there is the use of unsystematic set of factors, which leads to excessive detail of some groups of factors and ignoring others.
Integrated Evaluation Methods	Summarizing partial indices (normalized ratios, index) into an integral index by their averaging, summation, multiplication.	1. Provide a summary quantitative estimate of the competitiveness level.	1. Usually do not take into account the advantages of competitors. 2. Unreliability of the application of the sum to calculate the integral coefficient.
Comprehensive Evaluation Methods	Calculation (based on the index method and integral evaluation methods) integral indicator that takes into account current competitiveness.	1. Provide a comparison of the competitiveness factors. 2. Take into account factors that are measured by qualitative methods. 3. Provide a summary quantitative estimate of the competitiveness level.	1. Unreliability of the application of the sum to calculate the integral coefficient. 2. Expert methods are often used, which determines the high degree of subjectivity
Methods of the Effective Competition Theory	Calculating the integral factor of competitiveness based on expert evaluation factors of competitiveness		

Source: author's research

In the overwhelming majority of scientific works, performance indicators are allocated among the of competitiveness factors agricultural enterprises. They can be divided into indicators of resource efficiency (the ratio of economic effect to the number of resources used) [28, p. 22; 46] and profitability indicators [23, p. 115; 29, p. 534]. It should be noted separately, indicators of resource productivity (resource efficiency) is the ratio of manufactured products to the number of resources spent on various types. Agricultural economists S. Azizov and

P. Kaninskyi suggest to use the following indicators [30, p. 756].

P. Shepitsen used indicators of enterprise resources as competitiveness factors [31, p. 72]. As to European practice, the competitiveness indicators allocate production costs, specific costs per resource unit and the mentioned resource productivity (in particular, labor productivity and land productivity). Domestic economists consider that one of the factors, which influence the choice of competitiveness indicators is their availability from the official forms data of statistical, tax or other statements.

Following this, the team of scientists led by O. Yankovyi includes performance indicators (profitability and sales activities, net profit, expenses per 1 UAH of sold products), efficient use of resources (capital productivity) and financial position (turnover ratio, total liquidity autonomy, debt) to the competitiveness factors. They can be calculated according to the financial statements [21, p. 66-67]. S. Kvasha, M. Malik, O. Nuzhna, I. Yatsiv agree with the expediency of using the enterprise financial position indicators [23, p. 114-115; 23, p. 67-69; 32, p. 9].

Summarizing the above, the enterprise competitiveness factors, which are considered in the evaluation process, can be grouped into six groups: 1) indicators of resource availability; 2) indicators of specific costs; 3) indicators of resource productivity (resource efficiency); 4) indicators of resource efficiency; 5) indicators of competitive advantages of products and goods; 6) indicators of financial position (including profitability).

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THE ESSENCE OF THE LOAN PORTFOLIO CONSUMER LENDING OF BANK AND THE NEED FOR EFFECTIVE MANAGEMENT

Determination of the essence main economic categories is one of the most important directions of scientific research. At the same time the complexity of research any issue in the field of economic relations is connected with the existence of a number of discussion points and the lack of a single scientific thought. After analyzing a large number of scientific papers on the problem of consumer lending, it should be noted that there is no such thing as a loan portfolio of consumer lending to the bank. Therefore, initially we will analyze separately such economic concepts as “loan portfolio” and “consumer lending”. In this regard, we consider it logical to first investigate the essence of “loan portfolio”, and then deeper to study its functioning on the basis of its detail, namely, “the credit portfolio of consumers”.

First of all, consider the main scientific approaches to interpretation of the essence loan portfolio with the help of Table 1.3, in which we group the definition of this concept, formulated by different scholars and practitioners on the main features.

In Table 1.3 is grouped the definition of the concept of “loan portfolio” according to three grounds. In particular, the scholars who, in determining the approaches to the essence of the loan portfolio were classified in the first group consider the loan portfolio as a set of loans issued, thus taking into account only the implementation of a credit operation by a banking institution.

The second group of definitions is shaped by the scientific approaches of the authors, which emphasize that the loan portfolio is a complex management process that characterizes the choice of investment directions, that is, planned actions. This emphasizes the importance of lending among other banking services.

Table 1.3

Basic scientific approaches to the interpretation of the concept of "loan portfolio" of the bank

Author	Definition
1. Place of loan portfolio in the realization of lending operations	
1.1 Yu. V. Bugel [1]	Loan portfolio – a set of credit instruments to achieve the goals set
1.2 O. I. Lavrushin [2]	Loan portfolio – a set of loans issued, which are classified based on criteria that related to different factors of credit risk or means to protect it from it
1.3 A. I. Pashkov [3]	Loan portfolio – a set of funds that placed in the form of obligations (loans to legal entities, loans to individuals, interbank loans)
1.4 G. S. Panova [4]	Loan portfolio – the amount of funds mobilized in the form of loans issued to financial-credit institutions, trade-industrial organizations, private institutions by minus liquidity reserves
2. The place of the loan portfolio in the total amount of banking operations	
2.1 Yu. V. Bugel [1]	Loan portfolio is a comprehensive management tool (assets and liabilities) of a bank
2.2 E. J. Dolan [5]	Loan portfolio – a set of banking assets and liabilities
2.3 J. F. Sinki [6]	Loan portfolio is a set of financial assets; the bank can be represented as a set of profitable assets, mainly loans. Thus, the definition of the concept of a portfolio as a set of financial assets, including loans
3. Place of loan portfolio at the level of state policy	
3.1 V. M. Holub [7]	Loan portfolio is an important credit management tool of a commercial bank that should guide its strategic policy and operation activity to fulfill the tasks of the state loan policy

The third group (V. M. Holub) reflects the importance of implementing loan operations at the macro level, that is, is considered the role and value of the loan portfolio not only at the level of the banking institution but also at the mega-level.

Summarizing the analysis the definitions of concept of "loan portfolio", which basically consider it as a set of loans provided by the bank and take into account the factor of income as a strategic goal of functioning the bank. However, in our opinion, such approaches are

somewhat simplistic and do not reflect the key role of lending in the system of operations of a commercial bank. Under such conditions when develop the methodological foundations of the formulation of the concept of a loan portfolio, it is still necessary to rely primarily on the basic principles of activity the commercial bank, which reflect the specific conditions for its functioning on the market and the strategic goals of the banking institution.

Next, consider the main scientific approaches to the interpretation of the essence of consumer loan.

Consumer loan plays an extremely important role in the rapid satisfaction of the ever-increasing needs of individuals and in the development of the economy as a whole. The need for a consumer loan is due to the expenditure individuals what receiving of low income, most of their income from food and other urgent consumption items, since the share of food expenditure is higher among those who have the lowest incomes, and the lower is secured [2]. In view of this, satisfaction of needs other than food, consumers with lower incomes are complicated by the lack of their own free funds, which forms the need to obtain a consumer loan.

The nature of the formation and the essence of consumer costs were thoroughly research by financiers at different times in different countries, which resulted will be various approaches to the definition of “consumer costs” [8, p. 180; 9, p. 198].

According to the Ukrainian legislation, consumer cash costs are the monetary costs of individuals for the purchase of food, goods and services (clothing, footwear, utility services, household appliances, home appliances and current housing, health care, transport, recreation and culture, education, etc.). Includes all costs of individuals for these purposes regardless of the place of their implementation [10]. This definition, in our opinion, is quite complete and scientifically substantiated. It is also advisable to distribute goods and services to groups of long-term and short-term used, to indicate the need for their demarcation on domestic and imported, as indicated by the authors of the financial dictionary “Finam” [11].

Thus, it can be concluded that consumer cash costs are the monetary costs of individuals for goods and services of long and short-term used, domestic and imported production to meet their personal needs. Considered the classification of consumer costs of individuals it allows to better understand their nature and systematize, to determine sources of coverage, including at the expense of consumer loan. The greatest

need for a consumer loan arises in the period of purchase the goods long used with insufficient own financial security, for example, at the beginning of independent life (Table 1.4).

Table 1.4

Systematization of definitions to the interpretation of the concept of "consumer loan"

Author	Definition
1	2
Law of Ukraine "On Banks and Banking" [12]	Consumer loan is a loan provided to a consumer for the purchase of products for personal needs that are not directly related to entrepreneurial activity or the performance of the duties of a hired employee.
Law of Ukraine "On Protection of Consumer Rights" [13]	Consumer loan is the money provided by the lender (bank or other financial institution) to the consumer for the purchase of products. In this case, the product refers to any product (good), work or service that is produced, performed or provided to meet public needs.
Law of Ukraine "On Consumer Loan" [14]	Consumer loan is a loan provided by a bank for the purchase of goods (works, services) for personal, household and other non-productive needs. In our opinion, such a definition is vague: to acquire real estate or a car, an individual may also be for non-commercial purposes.
Arbuzov S.G., Kolobov Yu.V., Mischenko V.I., Naumenkova S.V. [15, p. 413]	Consumer loan – funds provided by a lender (bank or other financial institution) to individuals for the purchase of consumer goods or services for temporary used, under percentage, on terms of security, maturity, pay and target
Ivasiv B.S. [16, p. 288]	Consumer loan is a loan that is provided only in national currency to resident individuals for the purchase of consumer goods and services and is paid off gradually.
Kovalchuk A.T. [17, p. 144]	Consumer loan is a loan that is provided only in the national currency to individuals resident in Ukraine for the purchase of consumer goods long used and services and which is returned in installments, unless otherwise provided by the terms of the loan agreement.

Table 1.4 (continued)

1	2
Mochernyi S.V., Trisak L.S. [18, p. 183-184]	Consumer loan – economic property relations between lenders and consumers regarding the assignment by the first (lenders) of a certain percentage of the monetary resources rendered to consumers temporarily in temporary used.
Lagutin V.D. [8, p. 81]	Consumer loans include an extremely wide range of types of loans. In the most general terms are distinguished the commodity and monetary consumer loans. Commodity consumer loan is associated with the purchase of durable goods in credit (with installment payment). Monetary consumer loan is the provision by banks or non-bank lending institutions of loans to individuals for meet their consumer needs.
Mischenko V.I., Slavianska N.G., Koreneva O.G. [9, p. 348]	Consumer loans are called loans provided to the population. In essence, it is the sale of trade enterprises the consumer goods with a deferred payment or granting by banks of loans for the purchase of consumer goods, as well as for the payment of private (personal) costs (fees for educations, medical services, purchase of household goods, etc). The object of a consumer loan may be commodities, and money. Goods that sold in credit (and payable at the expense of bank loans) are consumer goods of long used. The subjects of the loan, on the one hand, are lenders, in our case, it is a bank and, special institutions consumer loans, stores, savings bank, other enterprises, and on the other – borrowers – individuals.

The conducted analysis of approaches to the definition of the essence of consumer loan by normative-legal acts of Ukraine and individual scientists, made it possible to conclude that the definition of consumer loan is debatable in every part of it. Thus, the problem of determining the nature of consumer loan is in four aspects: in determining the object of loan, the subject of loan, the currency of the loan and the principles under which lending is carried out.

The problem of determining the object of lending is that there is no consensus among scholars and practitioners regarding the including of consumer loans in mortgage loans. Thus, the European Central Bank

defines a bank consumer loan, as a loan granted to a person for the purchase of consumer goods and services [19]. At the same time loans are allocated for the purchase of housing (loans granted to individuals for the purpose of investment in house building). These include mortgage loans (loans secured by real estate) that are used to buy an apartment or home. Federal Reserve System USA under the consumer loan understands loan that provided to individuals for consumer (non-production purposes), which is not secured by a pledge of real estate or financial assets (stocks and bonds). Consumer loans include auto loans, loans for the repair of residential premises, for the purchase of goods for recreation, unsecured cash loans, loans for the purchase of a mobile home, for education, as well as renewable consumer loans [20, p. 1]. Thus, mortgage loans, according to the methodology of the ECB and the FRS USA, do not belong to consumer loans.

It should also be noted that in the domestic legislation such a distinction was not made clearly. Thus, in the Law of Ukraine "On Protection of Consumer Rights" a consumer identifies a person who purchases, orders, uses or intends to purchase or order goods (works, services) solely for the consumers needs not related to the pursuit of entrepreneurial activity [13]. According to the definition of the central bank of Ukraine, consumer loan is a loan that provided by the bank for the purchase of goods (works, services) for personal, household and other non-productive needs. In our opinion, such a definition is inaccurate: to purchase real estate or a car a person can for non-commercial purposes. In addition, there are some contradictions between the definitions given in the Law of Ukraine "On Consumer Lending" [14] and in the Law of Ukraine "On Protection of Consumer Rights" [13].

Thus, scholars have two points of view: individual scientists consider mortgage as a separate type of loan that provided to a person, others follow the opposite approach, including loans to meet the needs of capital or investment in the consumer.

In our opinion, mortgage loans are characterized by a number of special features that make it impossible to assign them to a consumer loan, namely: different regulation, along with the general norms of the law (the Civil Code of Ukraine), special legislative acts (Law of Ukraine "On Mortgage", Law Ukraine "On the Land Market", Law of Ukraine "On Consumer Loans"); mandatory condition – provision of mortgage loan real estate; always a clear goal destination; often a long term loan; the need a specialist qualification for specialists who make decisions on

granting a loan on a mortgage; the possibility of using as a resource to cover the mortgage debt, funds received from the sale of collateral.

Some domestic scientists believe that consumer loan should be provided exclusively in national currency to individuals resident in Ukraine for the purchase durable consumer goods and services and returned in installments, unless otherwise provided by the terms of the loan agreement [16, p. 288-291; 17, p. 144; 9, p. 348]. But it should be noted that this point of view was expressed by the scientists long before the financial crisis of 2008-2009 and the prohibition of foreign currency loans in November 2009, which proved to be true, since foreign currency loans to individuals who do not have sources of income in foreign currency are very risky, therefore, we consider such a statement to be reasonable.

Also, in our opinion, an extremely important aspect of the problem is the clear definition of the principles of consumer lending, namely, provision, termination, payment, target direction and return, which pay attention to V.T. Susidenko, S.G. Arbuzov and others [23, p. 45; 15, c. 413].

Various content and character of the definition of a consumer loan, given in the scientific literature, is evidence that this type of loan is not sufficiently researched. The lack of consistency in the definition of subjects and objects, as well as a clear list of principles and features of this form of loan, necessitates the author's definition of a consumer loan.

The conducted research allows us to conclude that consumer loan is a loan provided by a bank or a non-bank financial institution to an individual-resident in the national currency for needs that not related with entrepreneurial activity on the terms of return, maturity and payment.

Summing up the above concepts of "consumer loan" and "loan portfolio", we will give own the definition of "credit portfolio of consumer lending".

The credit portfolio of consumer lending can be defined as the aggregate of loans granted by a bank or a non-bank financial institution to an individual-resident in a national currency for needs, which are not related to entrepreneurial activity and formed to obtain an acceptable level of income and ensure the solvency of the bank at the minimum level of credit risks.

In this case are reproduced the three key interrelated aspects of the banking institution's performance – profitability, liquidity, risk. These

parameters are most appropriate to analyze and manage them not so in terms of individual loans provided by the bank in relations with specific clients, as from the positions of the entire set of issued consumer loans within in framework a loan portfolio of a particular bank. The credit portfolio of consumer lending should be considered by a commercial bank as the sole object of management with a structure that classified by the types of borrowers, terms of lending, directions of investments with the appropriate level of profitability and credit risk for the banking institution.

A quality loan portfolio of consumer lending is the result of targeted and effective management decisions of officials, which are responsible for the credit activity of individuals of a commercial bank. The process of creating a loan portfolio of individuals is extremely important for banking institutions, since these credit transactions, although they are most profitable, are at the same time the most risky ones.

When forming loan portfolio of consumer lending, the creditor should bear in mind that the growth in the number of borrowers and the volume of lending with the possibility of obtaining higher expected income is as positive as the negative, given the increasing riskiness of the bank's portfolio [24]. Assessing, finding directions for reducing and controlling credit risk for consumer loans is a key task in the process of forming the bank's overall loan portfolio.

From the above, we can draw the following conclusions. The loan portfolio of consumer lending to the bank should be considered not as a simple set of loans granted to individuals, resulting from chaotic holding of active operations, but as a structured portfolio of loans that are subject to valuation, segmentation, classification and management, the nature of which is documented in advance by credit policy – a strategy and tactics of the bank for raising funds and directing them to lending to individuals on the basis of lending principles.

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INNOVATIVE DEVELOPMENT OF ENTERPRISE: ESSENCE, FACTORS, ELEMENT OF ECONOMIC SECURITY

In contemporary economy innovations were one of the key factors determining the prospects for social and economic development of enterprises.

The practice of management shows that innovative adjustment in the current development of modern enterprises can not only provide high rates of economic development, but also improve the competitiveness of their export potential and will help to solve economic, environmental and social problems. Innovative activity is a major component of the process to ensure successful operation of enterprises, because current economic conditions require intense innovation, effective organizational research and development, regular innovations, reducing innovation risks and strategic management of innovation activities of each company.

Recently, many countries (including Ukraine) announced their

strategic priorities course on innovation economy, while in Ukraine the problem of effective economic development through innovation is extremely important because Enhancing innovation could become the driving force of industrial maintenance enterprises by improving existing production processes, improving the efficiency of all aspects of production and business activities, as well as identifying new perspective forms and lines of business.

Today, in order to ensure efficient and uninterrupted operation of enterprises, very important to the activation of innovation processes, as well as focusing on innovative development, they set themselves new challenges, the importance of which is associated with increased competitiveness; ensure that the value of products for the consumer; social responsibility of businesses, which includes: social responsibility before each citizen to the state, the staff and the consumer sector of the economy. All socio-economic systems should seek to form innovative development model, which will help direct the growth of scientific knowledge, and their mandatory application to improve the efficiency of the enterprise as a whole.

In Ukraine, the issue of innovation activity towards efficiency and quality aspects of production and business activities can be ensured not only the constant improvement of the production process, but also from businesses transition to innovative way of development [1-4].

In the modern business environment innovation – a necessary and objective factor of competitive development of each enterprise. Ukraine embarked on an innovative way of economic development, as evidenced by the large number of measures taken at the national level, including the adoption of the new Law of Ukraine "On scientific and technical activity" [5]; The concept of scientific, technological and innovative development of Ukraine [6], which provides for increased economic competitiveness through structural innovation model of economic growth, intensive, technical and technological renewal of production.

It should be noted that in recent years the government had adopted many resolutions and decisions of government programs aimed at improving the innovation performance of enterprises, but most of them failed to implement in full in the real economy. Because of this, there are contradictions between the economic interests of the state and companies focused on innovative path of development whose solution requires thorough research [7].

It should be noted that the development of innovative pour a lot of factors that contribute to or hinder innovation of innovation in the

enterprise. They are, in most cases, it is appropriate to divide into the following groups: external factors (not to be influenced by economic entities) and internal influences (subject to control by individual service providers), exogenous and exogenous factors (Table 1.5). The external factors include the factors influencing the innovative development of the enterprise environment, these factors include: the political situation, the level of economic growth, the availability of external funding, national and international legal framework, tax policy, scientific and technological progress in the country, the environmental situation in the country and international programs on environmental safety, etc. [8].

Among the limiting factors of innovative development of enterprises occupies an important place insufficient number and variety of funding sources, including the main source of financing innovation enterprises of Ukraine have the means enterprises themselves. It does not allow entities to implement effective innovation policy as an important task is to find and attract financial resources in the innovation sector.

Also factors that hinder the development of innovative enterprises is the outflow of scientific personnel abroad. Every year this trend through Ukraine loses more than 1 million dollars USA. Therefore, one of the effective means of reducing the outflow of scientific personnel is to increase science funding, providing replenishment, change the government's attitude to science. This transition from a model of cheap labor to model high-pay work effectively is the first step in the formation of a competitive economy. Raising the professional level in parallel with the growth of the wage increase innovative development of enterprises [9].

It should be noted that the innovative development affects numerous factors that contribute to the development or innovation or hinder their implementation in the enterprise.

Impact on innovation development of Ukraine carried out largely economic factors, the most important of which is the lack of preparation of logistics for the implementation of new technologies. In turn, the unstable economic and political situation in Ukraine leads to the determination of its economy as unattractive for investment. Factors that contribute to the innovative development of enterprises Ukraine is state support of innovative development, availability of skilled personnel, researchers needed to implement innovative development, the willingness of consumers and their confidence in the introduction of new and those already used overseas technology to make purchases [10].

Table 1.5

Factors that promote or hinder the development of innovative enterprises Ukraine

Exogenous factors	Endogenous factors
Contribute to the development of innovative The development of competitive high-tech products Save scientific and technological capabilities and state support of innovation activity International Scientific Corporation Development of innovative infrastructure Legislative measures to encourage innovation, provide protection of intellectual property	Contribute to the development of innovative Having reserves of financial and logistical measures Favorable to change, innovation, public recognition, the ability to self Save scientific and technical potential Development conditions of creative work, financial incentives
Discourage innovation development	
Insufficient number and variety of funding sources Complications of research and development Low scientific and innovative potential state Lack of international scientific cooperation Imperfect legislation on innovation The outflow of scientific personnel The lack of a complete information base on innovation	Weakness logistical and scientific base The lack of orientation of organizational structures to innovate Resistance to change, while introducing innovations and innovations Focusing on well-established markets, the short payback Lack of financial incentives and conditions for creative work The dominance of the interests of existing production Low levels of analytical and information base of enterprise

The level of development of enterprises depends largely on acquisition of new technologies that provide long-term competitiveness, high economic performance of enterprises. It should be noted that one should not invest in the projects that are developed and used in other countries [3].

Exploring the theoretical basis of innovation, it is necessary first of all to pay attention to the term "innovation", because innovation is the

main component of innovative development company.

Innovative development company has ensured an effective integrated use of all its components, but in terms of knowledge economy, socio-techno-economic paradigm of innovation and the theory of "open innovation" intellectual component of innovative enterprise development is more important than material [11, p.24].

Innovation is a key means of ensuring economic growth, competitiveness and financial stability of any enterprise [1].

In general definition, innovation is an innovation in engineering, technology, labor or management, based on the use of science and excellence. Innovation acts as the end result of innovation - ie activities related to the transformation of research and development and other scientific and technological achievements in new or improved product introduced to the market a new or improved technological process used in practice or new approach to social services. Innovation as a result of innovation on the one hand, oriented to better meet the needs of consumers on the other – to the desired economic effect. Unfortunately, according to most experts, scientists, state of innovation activity in Ukraine is unstable [2].

Development, development, training, monitoring and justification innovation is in the process of innovation. The Law of Ukraine "On innovation activity" find a definition of "innovation" – an activity that is directed to the use and commercialization of research and development and leads to the release of new competitive goods and services [12,1].

The main reason for the decline of innovation activity of enterprises is reducing funding innovation from the state budget. Proof of this is the situation in Ukraine statistics for 2017, where innovative activity in the industry to guide enterprises only 759, or 16.2% of industrial enterprises of the country, which is 2.7% less than in 2016 (834 enterprises). Of the total number of innovation active enterprises in 2017 carried out by internal and external research – 25,3%, purchase of machinery, equipment and software - 65.9%, the acquisition of external knowledge - 5.7% Other - 22.8% companies. By economic activities the largest share of innovation active enterprises accounted for production of food, beverages, tobacco products - 22.0%.

In 2017 innovations implemented 88.5% of enterprises engaged in innovative activities, or 14.3% of industrial enterprises with those on innovation company spent 9117,54 million UAH, etc. for the purchase of machinery, equipment and software - 5898,84 million UAH, internal and external research and development – 228,48 million UAH for the

purchase of 27 other external knowledge (acquisition of new technologies) – 21,83 million UAH and other work related to the creation and introduction of innovations (expenses) - 1027,11 million UAH. The share of expenditure on the purchase of machinery, equipment and software compared to 2016 decreased from 85.3% to 64.7%. However, spending on research and development (Scientific research) increased from 10.6% in 2016 to 23.8% in 2017, the cost of acquisition of other external knowledge decreased from 0.3% to 0.2% and other costs, in t. h. on marketing and advertising increased from 3.8% to 11.3%. By economic activities most money spent on innovation activities of enterprises manufacturing machinery and equipment (1230,22 million UAH), the production of other transport equipment (1210,75 million UAH) and enterprises producing food products (1151,73 million UAH) [13].

The solution for the innovative development of economy of Ukraine may be attracting more effective funding sources (bank loans, own funds, venture capital, leasing, etc.) and implementing innovative type of industry will provide Ukraine stable economic growth, rapid technological progress and determine the country's place in the world economy.

Innovative development of enterprises is an effective counter response on emerging threats of loss of market share, constant pressure from competitors, the emergence of new technologies, reduction of product life cycles, legislative restrictions and changes in the market.

Effective innovation allows to generate competitive advantage that will allow them to operate successfully in the market [14].

In this version of innovation and innovative development - a way to use the new features (ideas, resources, etc.) to maintain or obtain new competitive advantage. In the long term, the enterprise has no choice but to conduct innovative development, which is an effective source of long-term success and hence economic security.

Economic security company - is a state system of farming, which in addition is also aimed at mobilizing all available at the company corporate resources in order to protect it (the company) from unwanted influences of the present and future time for the most effective use of these resources [14] . That system is able to organize themselves and fulfill, maintaining balance and stability while minimizing threats.

Economic security can not be defined only as a "state security" without long-term development opportunities in an innovative manner.

The economic security of the enterprise - it is his status as an economic system characterized by a combination of existing conditions

under which created and saved the company's ability to function and achieve development goals in terms of internal and external threats arising from the operation and development, through their prevention and neutralization [11, p.40].

Economic security company - as a state enterprise security from undesirable influences, both external and internal nature, the most efficient use of available resources (potential businesses) [15] .

The concept of safe economic development company examined M. Kochevym as "..postupalnyy, innovative, sustainable, effective development, provided the conditions and factors in achieving the objectives of the enterprise in the long run" [16]. The main essential characteristics of this concept, in my opinion, is the focus of enterprise development to achieve its main strategic goal - increasing the market value of the company. In the above definition of our economic development is essentially identified with progressive, innovative, sustainable and effective development of the company (synonymizatsiya aforementioned concepts itself is incorrect), without any reference to the criteria of proper safety and economic security. A focus of the (safe) type of the increase in the market value of the enterprise itself not how it distinguishes it from within the understanding of management theory value oriented [17].

In general, it should be noted that a major unresolved problem today is the low technological level of production, low innovation activity of industrial enterprises, poor public financing innovation, lack of own funds for innovation, but because of the slow pace and quality of economic development in general.

To improve the situation in the sphere of innovations require immediate resolution issues: improving regulatory support for innovation; financial incentives activation of innovative processes; improving and expanding innovation infrastructure; intellectual property protection in the innovation sphere; strengthening the relationship between science and industry; providing adequate information towards balancing the supply and demand for innovations like. That is the main efforts of both state and regional authorities should focus on comprehensive fostering innovation through improved financial as well as legal and regulatory mechanisms of regulation by means of an effective innovation policy on the ground. The focus should also focus on developing (or improved existing) effective regional strategies and programs addressing innovation and institutional obstacles to their implementation [18].

Thus, in practice, the implementation of the target program of innovative development of industrial enterprises is implemented through a chain of successive interrelated investment and innovation projects. The effectiveness of the program of innovative development countri depends on the proper choice innovative development of the enterprise [19].

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METHODOLOGICAL APPROACH FOR ASSESSING CORPORATE SOCIAL RESPONSIBILITY ON THE BASIS OF BALANCED SCORECARD

In socio-economic field the results of implementing corporate socially responsible (CSR) actions cannot be reduced to binary win-lose. It is important to monitor progress in CSR through a system of measurement that gives an idea of direction and rate of change over time. Development and application of a methodological approach for

assessing CSR integrated into the overall system for evaluating and controlling business entities' performance is on time.

Today there are a wide range of different approaches to assessing CSR. In studies of many authors, in particular P. Wisner, M. Epstein, R. Kaplan, D. Norton, G. Hubbard, F. Figge, etc., the Balanced Scorecard has been recognized the best format to fit task of incorporating social and environmental aspects to strategic measurement system. Through BSC companies can identify the relationship between goals and results of sustainable development, corporate strategy and profitability, such as environmental, social and economic goals (Butler, Henderson, & Raiborn 2011). However, the important issue is to determine how to integrate environmental and social issues in the Balanced Scorecard.

In the early 1990's, American scientists R. Kaplan and D. Norton conducted a research of measurement systems for the large companies that used non-financial indicators as informational basis for making managerial decisions. The concept of Balanced Scorecard (BSC) is the result of the researchers' collaboration. It combines approaches to assessing tangible and intangible assets. The metrics are called "balanced" by reconciling interests of different stakeholder groups which are included as the value drivers of perspectives. The performance measures used in BSC relate to four perspectives (Atkison, Kaplan, Matsumura, & Young 2007):

- Financial perspective contains objectives and measures that represent the ultimate success measures for profit maximizing companies. Financial performance measures indicate whether the company's strategy and its implementation are delivering increase in shareholder value.

- Customer perspective should describe how company intends to differentiate itself from competitors to attract, retain, and deepen relationships with target customers. This perspective should contain specific objectives and measures for the strategy's customer value proposition.

- Internal process perspective identifies the critical operating, customer management, innovation, and regulatory and social process in which the organization must excel to achieve its customer, revenue growth, and profitability objectives.

- Learning and growth perspective identifies the objectives for the people, systems, and organizational alignment that create long-term growth and improvement. The objectives of this perspective emphasize the employee capabilities and skills, technology, and organizational

alignment.

BSC is considered as an integrated system of strategic measurement of objectives and key performance indicators, providing formation, implementation of strategic plans and underlying strategic management. The possibility of integrating non-financial indicators into strategic management of companies is called one of the reasons for BSC success (Zingales, O'Rourke, & Orssatto 2000). This success can be extended to environmental performance and social activities through their implementation in corporate and business strategy.

There are three main ways to integrate social and environmental aspects into the original BSC scheme.

First, environmental and social aspects can be integrated into the four existing BSC perspectives through strategic elements, objectives and indicators. For example, some environmental and social indicators can be displayed in the perspective of internal processes (Kaplan & Norton 2001).

The second approach involves the addition of other perspectives (e.g., environmental, stakeholder one) to the original BSC. As mentioned in research of Norton and Kaplan (1996), changes in the BSC architecture are acceptable if this is due to industry circumstances and business unit's strategy. However, the authors do not provide specific guidance on the addition of such perspectives. According to Epstein and Wisner (2001), adding another direction concerning environmental and social objectives to corporate performance measurements requires top management to recognize the strategic importance of the new dimension. Chlistalla and Schaper (2009) modified the overall BSC for network industries, adding risk management as a separate perspective and integrating competition and IT.

The third approach focuses on the development of a separate ecologically or socially oriented BSC based on the original one. Integration of environmental and social aspects in the BSC causal relationships with hierarchical domination of the financial perspective is an important task in this case. This provides a successful transformation of the business strategy into a socially oriented one. Formulating Sustainability Balanced Scorecard Figge, Hahn, Shaltegger & Wagner (2001) proposed some social indicators to be internalized to the existing BSC perspective. The other indicators outside the market system representing strategic key aspects should be a part of the new (nonmarket) BSC perspective. In the model of Environmental BSC, presented in Al-Zwyalif paper (2017), environmental strategic goals and

indicators are implemented within each of the four original perspectives.

In our opinion, it is the third approach allows to adapt system of assessing CSR to the needs of a particular company and integrate it into the strategic management based on BSC.

We developed BSC with social orientation based on modification of the original BSC scheme. In particular, it is proposed to remove client's perspective due to its narrow orientation towards one of stakeholder groups and add a relational perspective summarizing assessment of the company's impact on the stakeholders: employees, clients, partners, local community, etc. The relational perspective reflects value creation for priority stakeholder groups. It should be located on the top of the BSC along with financial perspective which, according to its purpose, is focused on creating value for owners of business entities. Achieving target values of performance measures of relational perspective forms preconditions for implementation of the company’s mission. Also their positive impact on performance measures of financial perspective is an indicator of implementation of CSR strategy integrated into business strategy.

We consider it expedient to allocate the performance measures of environmental perspective in a separate unit. Its purpose is to improve the impact on natural environment. Taking into account the causal links of the BSC environmental perspective is placed at the lower hierarchical level along with perspective of learning and development. It reflects development of strategic skills of employees to improve impact on business processes. Integration of CSR measures into business strategy is due to their integration into the objectives of learning and growth and environmental perspectives, which determines the location of their indicators at the bottom of strategic map.

Internal processes perspective occupies an intermediate position in hierarchy between the above mentioned BSC perspectives of upper and lower levels. Improvement of its performance measures results in improving business processes within the value chain. Key performance indicators of learning and growth and environmental units form preconditions for achieving the strategic objective of internal process perspective, which, in turn, is the basis for the goals of relational and financial perspectives.

In the traditional BSC scheme a direct sequence of causal relationships between perspectives for the lower and upper hierarchical levels is usually reflected. Thus, the achievement of the strategic objective of each perspective is ensured by activities aimed at

implementing the strategic objective of a lower-level perspective.

We consider this approach to interconnection between system objectives and performance indicators of perspectives is simplified and offer to display indirect link between the BSC perspectives. In particular, the lower level perspectives (learning and growth, environmental) have an indirect impact on the financial one through the costs and results of financing social and environmental measures. Also this is typical for objective and measures of relational perspective.

Table 1.6 presents a comparative analysis of approaches to CSR assessment based on BSC suggested in the literature and the authors' model.

Table 1.6

Comparative analysis of the original BSC layout and approaches to CSR/sustainability assessment suggested in the literature

	Balanced Scorecard (Kaplan & Norton 1992)	Sustainability Balanced Scorecard (Figge, Hahn, Schaltegger & Wagner 2002)	Organisational Sustainability Performance Index (Hubbard 2009)	CSR oriented Balanced Scorecard (authors')
Economic/ Financial	Financial perspective	Financial perspective	Financial performance	Financial perspective
Consumers/ Products	Customer perspective	Customer perspective	Customer/market performance	-
Internal Processes	Internal business perspective	Process perspective	Internal process performance	Internal process perspective
Innovation/ Learning	Innovation and learning perspective	Learning and growth perspective	Learning and development performance	Learning and growth perspective
Society/ Stakeholder	-	Non-market perspective	Social performance	Relational perspective
Environment	-	-	Environmental performance	Environmental perspective

We propose the BSC architecture for CSR oriented companies indicating causal relationships between perspectives in Figure 1.1. Indirect links between BSC perspectives are shown by dashed arrows.

Based on the approach of Robert Kaplan and David Norton (1996, 2001a, 2001b), BSC is composed of two types of indicators: main

results ("lagging indicators") as objectives and performance indicators ("leading indicators") as auxiliary measures to achieve these results.

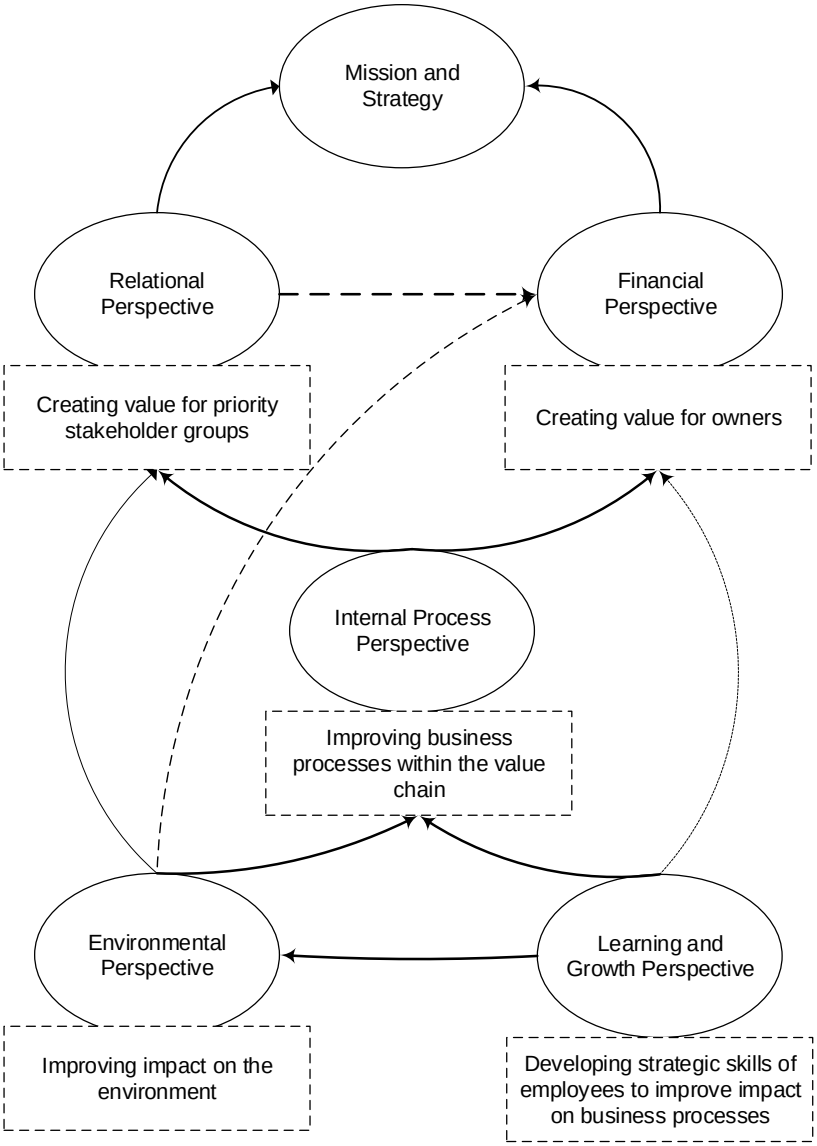

Figure 1.1 BSC architecture for CSR oriented companies

According to the research, setting objectives without measuring their effectiveness neither informs the way of achieving results, nor indicates whether the chosen strategy is properly implemented. On the other hand, calculation of performance measures with no regard to objectives can lead to short-term operational improvements, but it will not indicate their impact on improving financial performance. Accordingly, we developed the system of objectives and performance measures for socially oriented BSC perspectives presented in Table 1.7.

We summed up and formulated the basic principles that should be taken into account when creating a socially oriented BSC:

- Strategic orientation of objectives, which are taken into account when developing the perspectives of CSR oriented BSC;
- The relationship between perspectives should be of “cause and effect” nature;
- The formation of objectives is preceded by the development of performance measures for assessing perspectives;
- Identification of priority stakeholder groups that may be influenced by the company, and taking into account their interests in order to detail impact through performance measures for assessing perspectives. Simply adding objectives and indicators that take into account heterogeneous and diverse interests of different stakeholders in the BSC can lead to system imbalances. Therefore prioritizing stakeholder groups is a necessary step. Their strategic value is reflected in the corporate and business strategy integrated with CSR and it is marked by higher weight of indicators of their satisfaction degree.
- The effect on stakeholders throughout the value chain;
- Formulation of a socially oriented BSC should be specific for each company. It should be based on strategy peculiarities, social and environmental aspects of business unit where the BSC is applied.
- Integrating CSR measures into a business strategy through embedding them into objectives of a bottom-up strategic map.

The BSC methodology for assessing environmental and social impacts of CSR has several advantages. First, it contributes to integration of strategic socially responsible management into overall system of strategic management. This is achieved by defining goals and performance indicators of BSC perspectives for a specific business strategy. Secondly, the determined goals and performance measures of BSC are linked to each other directly or indirectly by a hierarchical system of causal relationships.

Table 1.7

BSC objectives and measures for CSR oriented companies

Perspectives	Objectives	Measures
Financial perspective	• Increase brand value • Increase profitability • Increase revenue • Reduce costs • Access to financial capital • Increase efficiency of social investment	• Growth of brand value • Return on assets • Return on sales • Revenue growth • Return on social investment projects
Relational perspective	• Improve reputation • Build relationship with stakeholders (employees, customers, partners, local community, etc.) • Create value for stakeholders	• Level of employees' satisfaction • Level of customers' satisfaction • Level of suppliers' satisfaction • Level of local community's satisfaction • Participation in CSR programs (international, regional, national, industry, intercorporate)
Internal process perspective	• Increase operational efficiency • Ensure product safety • Improve quality management • Improve post sale process • Enhance value chain partnering	• Percentage of product complaints and recalls in total sales • Percentage of defective products in total production • Energy- and material efficiency of the production processes • Growth of investing in CSR value chain programs
Environmental perspective	• Reduce waste • Reduce emissions • Increase efficiency of eco-investing	• Recycling rate • Rate of emissions • Percentage of «green» products in total sales • Percentage of products sales elaborated with cleaner technologies • Growth of eco-investing • Percentage of eco-investing in total sales • Level of fines and payments for environmental pollution
Learning and growth perspective	• Improve employee retention • Improve employee productivity • Ensure employee safety and health	• Staff turnover • The average cost of training per employee • Percentage of training costs in total costs • Level of occupational injuries • Level of remuneration in relation to average in the same industry • Amount of the social package per employee

This allows to determine factors having the greatest influence on achievement of objectives of the BSC perspectives, in particular, financial and relational perspectives placed at the top of the hierarchy. Thirdly, the use of BSC methodology for CSR oriented companies contributes in identifying the social aspects leading to financial success of business entities and focusing on their management.

We have proposed a modified BSC architecture for CSR oriented companies. It helps overcome problem of excess simplifying links between perspectives typical for the classical BSC scheme. A new composition of perspectives, objectives and performance indicators is also the feature of advanced methodological approach for CSR assessment based on BSC. We proposed to allocate a relational perspective, which main goal is to create value for priority stakeholder groups. Impact of relational perspective's indicators on financial performance measures is an indicator of implementing CSR strategy integrated into business strategy.

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INNOVATION IN ECONOMIC DEVELOPMENT OF UKRAINE: FROM THEORY TO CURRENT STATE AND EMPIRICAL RESULTS

As is known, in a recession period or while confronting crisis phenomena, any country in the global world faces the problem of finding such sources and factors of its economic growth that will allow the country to benefit in the struggle for resources as well as will lead it to the path of stable development. The analysis of various scientific ideas about economic growth and development shows that the description of these multidimensional phenomena is not yet complete, while the discussions among scientists and practitioners grow to become rather heated, which leads to the formulation of new tasks. However, the results of research as well as modeling of factors, reasons and

mechanisms affecting the nature of economic growth make it possible to forecast it considering the practice of today and to develop effective tools for its regulation and management. According to the experience of different in terms of its economic development countries, at present-day the key factor of economic growth is the development of science and innovation, which defines the potential of the country's development and its competitiveness in the global world.

The analysis of the evolution of theories of the interrelation of economic growth, science, innovation and applied research with the empirical testing of the effectiveness of these concepts in practice has a long history and is characterized by national specificities [1-3]. Depending on the chosen method of research – factor analysis, regression analysis, functional analysis, cluster analysis, practical knowledge function, nonlinear modeling, Bayesian approach, panel data models, spatial econometrics – the scholars have confirmed the direct connection between proxy variables representing the rate of economic growth and the country's development and the indicators reflecting the development of science, R & D, and innovation technologies in the country (Rodriguez-Pose & Crescenzi [4], Fagerberg &Schrolec [5], Jaffe [6], Audretsch & Feldman [7], Pakes &Griliches [8], Teplykh [9], Anselin &Varga &Acs [10]).

As for Ukraine, which has come through a number of crises over the last 20 years, it was limited in possibilities to increase the scientific research expenditures, since it keeps on solving its permanent problems of anti-crisis recovery. However, the scientists bring up the challenging issues of Ukraine's innovation development in the context of the analysis of enterprises' innovation activities (Denisenko [11]), problems of the state institutional development (Vishnevsky [12]), the assessment of innovation activity impact on the country economic development (Pisarenko [13]) comparative characteristics of Ukraine with developing countries (Zhukovski & Gedranovich [14]). There were discussions about the need for innovative development of the country, proposed measures to strengthen the national innovation system.

Theoretical background. The first stages of the formation of theory of economic growth in the 40-80s of the previous century were associated with the development of basic concepts of the post-Keynesian and neoclassical approaches (Harrod [15], Domar [16], Solow [17]), which were later on supplemented by the ideas of the evolution theory. However, a significant number of issues that were not confirmed in practice, in particular regarding the countries' convergence

and the exogenous nature of the factor of scientific and technological progress, made scholars and practitioners search for the answers beyond the framework of basic theories. This led to the emergence of new theories of endogenous growth, which in general terms was viewed as the growth, conditioned by the person's economic activity. Models of exogenous growth could not explain the features of modern economic growth due to the assumption about the diminishing returns of its main production factors. The key idea of the theories of the "second generation" was that the skills and technologies created in one industry are transferred to others, and thus the return on investment in innovation ceases to decrease for the economy as a whole [18].The impetus to the development of endogenous growth theory was given by the ideas of P.Romer. He found a solution to the question of how to make endogenous the main source of growth - technical progress (Romer [19, 20]).

Today, a whole set of existing theories and models of endogenous economic growth are traditionally (Jovanovic [21], Sharaev [22]) united into 7 groups:

1) models representing the production of innovations as a product put forward by a special sector of economy, i.e. directly in the process of research and development activities (Research & Development);

2) models in which the human capital is the most important source of economic growth;

3) models of learning by doing;

4) models of the international trade and technology transfer and distribution;

5) models of the technical progress and population;

6) models of inequality and economic growth;

7) models of the state policy and economic growth.

In publications focused on the analysis of results of empirical studies verifying theoretical stipulations put forward within the framework of the theory of endogenous growth the scholars often draw attention to the interrelation of the chosen factors as well as emphasize the important role of the science and technology development. In particular, in the study of M. Kaneva and G.Untura concerning the evolution of theories and empirical models of the interconnection of economic growth, science and innovation (Kaneva & Untura [3]), the scholars confirm that the current trends of theoretical research evolve, permeating one another. Having looked at macroeconomic exogenous models, one should mention the model of Grossman & Helpman [23] and Aghion & Howitt [24], being among the first endogenous modes based on

Schumpeter's "creative destruction" ideas [25]. These models have acquired the status of well-known theoretical models presenting the endogenous growth, since they correlate economic growth, technological progress, innovative activities and innovations implementation. The empirical proof of these ideas effectiveness was obtained by the model by Barro and Sala-i-Martin [26] as well as by other models implemented in the format of the "production function of knowledge" (Griliches [27]).

One of the most important results of the development of the theory of endogenous growth since the first works of Romer was that innovations are now analyzed at the level of individual firms [18]. In the paper of Acemoglu and co-authors (Acemoglu et al., [28]), the next step was taken in the direction of detailing decision making - firms not only determine the level of costs, as in the Rohmer model, but also choose the level of employment and investment in various types of innovations, as well as decide on market entry and exit [Zamulin & Sonin [18]).

At the same time, along with the models of endogenous and exogenous growths, based on macro- and microeconomic dependencies, in related sciences there appeared other theories, being rather descriptive, which proved the correlation between economic growth, the development of science, and innovations. Among them M. Kaneva and G. Untura (Kaneva & Untura [2]) distinguish the following most famous models:

- a linear model of innovations, known as the "traditional phase-gate model", with the priority given to the research and development. According to this model, it is the research activity that launches the innovation process (presented in two versions: "technology push" and "demand pull") (Bush [29], McLaurin [30]);

- the theory of innovation systems, named as an "innovation system" (Lundvall B.-A. [31]), according to which the effectiveness of new technologies introduction and the speed of innovations spread-out depend on a combination of institutions and participants (enterprises, universities, research institutes) in innovation processes;

- the theory of innovations diffusion and knowledge spillovers that includes two components: the theory of diffusion of innovations and the theory of knowledge spillovers (Rogers [32], Glaeser [33], Jacobs [34]).

The active development of the method of econometric modeling allow one to use it as a tool for studying the interconnections between economic growth, research and innovations in the spatial dimension that has formed a new direction of economic science, namely spatial

econometrics of innovations (a kind of symbiosis of theoretical and empirical models) (Anselin [35]). Practical realization of the ideas presented in the theory and models of endogenous growth has made it possible to conduct a comparative cross-country analysis as well as prove the competitive advantages obtained by leaders as a result of the R & D expansion and innovations introduction.

Ukraine competitiveness in the light of the global innovation index. Since 2007, the most comprehensive analysis of the situation in countries that effectively carry out their innovative activities by investing in education and research, and by turning R & D expenditures into high-quality developments has been annually presented in the report on the Global Innovation Index (GII), which is the result of the joint work of Cornell University, INSEAD Business School and the World Intellectual Property Organization (WIPO) being co-publishers.

The GII is a detailed quantitative assessment method that allows the representatives of decision-making authorities around the world to better understand the mechanisms stimulating the innovation as a source for economic growth and human potential development.

The Global Innovation Index, which was presented in 2018 for the eleventh time, consists of 80 different variables describing in detail the innovative development of 126 world countries being at different levels of their economic development [36]. The authors of the study believe that success of the country's economy is related to both the presence of the innovation potential and the conditions for its implementation. Therefore, the Index is calculated as a sum total of the assessments of two groups of indicators: Innovation Input, characterizing the available resources and conditions for innovations, and Innovation Output – the achieved practical results of implementing innovations. Thus, the final Index comprises the cost-effect ratio, which allows an objective assessment of the effectiveness of efforts put into innovations development in different countries.

According to the GII-2018 rating, the global leaders are the following [36]: Switzerland, Netherland, Sweden, United Kingdom, and Singapore. Ukraine has increased its rank to 43, rising by 7 positions as compared with the previous year. Among 39 European countries Ukraine ranks is at the 30th position, while it ranks 1st among the 30 lower-middle-income countries. Figure 1.2 demonstrates the dynamics of Ukraine's rating within the period of 2009–2018, which signals about the improvement in the situation over the past four years. Among the main reasons for such an increase in ranking is the improved Innovation

Efficiency Ratio (a much higher ranking in innovation outputs (35th) compared to inputs (75th)). The Innovation Efficiency Ratio is the most important GII strength for Ukraine (it takes the 5th position globally).

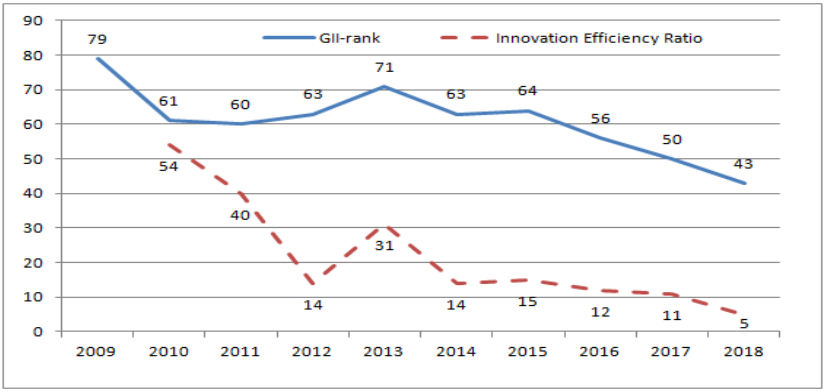

Figure 1.2 Dynamics of GII Ukraine's ranks and Innovation Efficiency Ratio within 2009-2018

A more detailed analysis of the constituent elements of GII is presented in Table 1.8, which makes it possible to see the strengths and weaknesses of Ukraine.

Table 1.8

The 7 GII areas of Ukraine's rank within 2012-2018

(*1 is the highest possible rank in each column*)

	2012	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**
Institutions	103	105	103	98	101	101	107
Human Capital & Research	40	44	45	36	40	41	43
Infrastructure	101	91	107	112	99	90	89
Market Sophistication	64	82	90	89	75	81	89
Business Sophistication	45	79	87	78	73	51	46
Knowledge & Technology Outputs	40	45	32	34	33	32	27
Creative Outputs	70	81	77	75	58	49	45
The total number of countries	***141***	***142***	***143***	***141***	***128***	***127***	***126***

The “Ukraine’s innovation profile” presented in the Report GII-2018 contains the values (score and rank) of indicators that form seven groups, which in their turn constitute two sub-indices (Input / Output). The developers of GII-2018 emphasize that the strengths of Ukraine are concentrated on the innovation output side of the GII [36]: two out of three GII strengths are found in Human Capital & Research (43rd), where Ukraine demonstrates a strong performance in the indicators Tertiary enrolment (12th) and Pupil-teacher ratio, which positions 3rd in the world. The third strength is in Business Sophistication (46th) in the indicator Females employed with advanced degrees, in which Ukraine is the third in the world.

Ukraine’s relative weaknesses are mainly accrued in innovation inputs, across all 5 GII input areas but mostly in Institutions [36]: Institutions (107th), being the lowest ranked GII area for Ukraine, is itself signaled as a GII weakness. Here the country shows a relatively weak performance in one of its three components, Political environment (122nd), as well as in the indicators Political stability & safety (123rd), Rule of law (107th), and Ease of resolving insolvency (118th). In Human Capital & Research (43rd), one relative weakness lies in the indicator Global R&D companies’ expenditure (40th). In Infrastructure (89th), the area Ecological sustainability (115th) and the indicator GDP per unit of energy use (113th) also present a relatively weak performance. In Market Sophistication (89th), Ukraine exhibits weaknesses in one of its three components, namely Investment (115th), and in two indicators: Microfinance gross loans (79th) and Venture capital deals (79th). In Business Sophistication (46th), one of GII weaknesses is in the Indicator State of cluster development (98st). On the innovation output side, only two indicators are signaled as weak: ICTs & business model creation (106th) and National feature films (101st), both in Creative Outputs (45th).

Since innovations play an important role in increasing the level of the countries competitiveness, stimulating changes in the society and laying the foundations for the country’s future development, the presence of weak points in the innovative development of Ukraine and its relatively low ranking in terms of the global dimension signal not only about the lost opportunities, but also about the need to revitalize the innovation policy in order to ensure the economic growth of Ukraine.

R&D and innovations as determinants of economic development: the empirical results. Two hypotheses are put forward to test empirically the theoretical concept of the importance of R & D and

innovations for the economic development of different countries:

Hypothesis 1: R & D is a factor of economic development;

Hypothesis 2: Innovations have a positive effect on the country's economic development.

For the analysis, we selected a group of countries of different economic development and geographic location such as USA, China, Japan, Israel, Great Britain, France, Germany, Poland, Czech Republic, Lithuania, Latvia, Ukraine, Russian Federation, Kazakhstan, and Moldova. For Ukraine, such a selection of countries is interesting, since it includes not only world leaders, but also the states of the former CIS and Europe (that is, it describes the Ukrainian past and the desired future).

The data have been collected from World Economic Outlook (WEO) database of IMF, Eurostat, OECD, U.S. government data, and State statistics service of Ukraine [37-40]. All observations are annual (within the period of 2005-2017) and processed on the basis of the required procedures. Among the variable models we distinguish: *GDP_PC_PPP* – Gross domestic product per capita, constant prices (Purchasing power parity; 2011 international dollar); *RD* – R&D – % of Gross domestic product; *PATENT_R* – amount of patents.; *RESEARCHER* – amount of researches per 1 million of population.

The result of Hausman Test statistics suggests that the Fixed Effect Model (FEM) is the appropriate panel data estimator for this study. The tests for heteroscedasticity, autocorrelation and multicollinearity helped define specification and estimation.

The model (1.1) empirically confirms the correctness of the Hypothesis 1, i.e. R&D, a factor of economic development having a high statistical significance, affects the countries' development level (Prob.(t-Statistic)<0.03; Adjusted R-squared=0.991287; F-statistic=733.4057; Prob.(F-statistic)= 0.000000). An interesting point to pay attention to is the R & D indicator significance impact with a delay of 5 lags. This points to the long-term effect of the R & D impact and highlights the importance of the system-based long-term policy in science and technology.

$$GDP_PC_PPP = 15959.65 + 2614.26*RD + 4352.89*RD\ (-5) + [CX=F] \quad (1.1)$$

Figure 1.3 shows the calculated values of fixed effects of the Gross domestic product per capita for the panel data model by countries. The

presence of a rather significant negative value of fixed effects for Ukraine means the presence of country-specific factors that negatively affect R & D as a factor of economic development. These factors will vary for different developing countries (China, Japan, Israel, Ukraine, Moldova), which requires additional research.

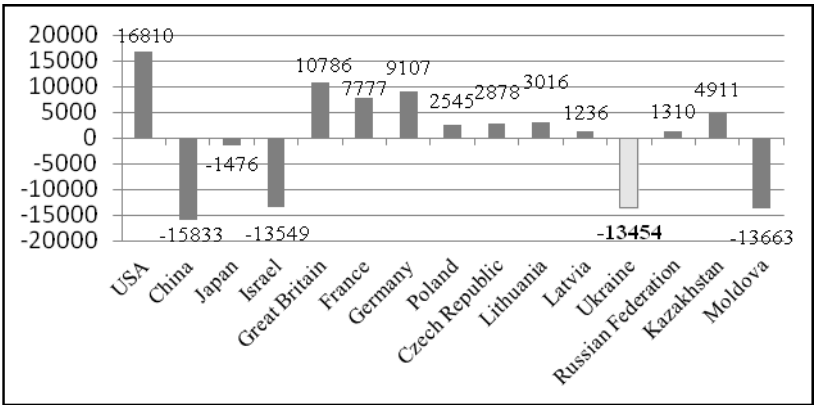

Figure 1.3 Fixed effects of the Gross domestic product per capita for the panel data model (1.1) by countries

The model (1.2) empirically confirms the correctness of the Hypothesis 2 – innovative activities have a positive effect on the country's economic development. (Adjusted R-squared=0.996196; F-statistic= 2280.714; Prob. (F-statistic) = 0.000000; Durbin-Watson stat.=1.780223). Proxy-variables representing the factor of innovation in the model (2) are the selected indicators characterizing the number of researchers and patents by the residents of the country. The impact of both variables on the dynamics of economic development is positive and statistically significant.

GDP_PC_PPP = 0.01*PATENT_R + 1.95*RESEARCHER + 21754.13 + [CX=F] + [AR (1) = 0.757271907553] (1.2)

Figure 1.4 shows the calculated values of fixed effects of the Gross domestic product per capita for the panel data model (2) by countries.

As we can see, the values of the fixed effects vary greatly from country to country. This means that we have to conduct a more comprehensive analysis with the division of the countries into subgroups.

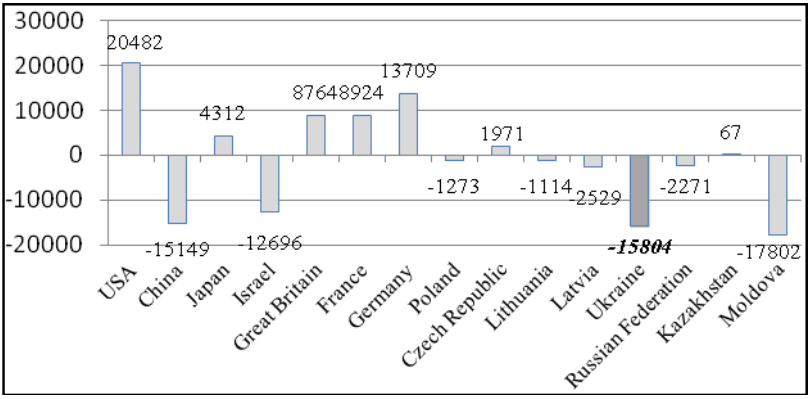

Figure 1.4 Fixed effects of the Gross domestic product per capita for the panel data model (1.2) by countries

Defining inter-country peculiarities can be useful for Ukraine, especially given the different experience of implementing the innovation policy of boosting economic growth.

Conclusions. Endogenous theories development of economic growth already has a long history which underlines that among determining factors of different countries growth and development level the R&D and innovations are very important. Statistical analysis and empirical testing of R&D and innovations influence on economic development indicator dynamics for small group of countries with different development level and geographical location confirm its importance through panel data models. Ukraine as well as other developing countries should focus on scientific and technological progress achievements and innovative development in order to improve society living conditions country competitiveness in global world.

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THEORETICAL-METHODOLOGICAL ENSURING OF FORMATION THE INNOVATIONAL POLICY OF MACHINE-BUILDING ENTERPRISE

Taking into account the fact that Ukraine has significant scientific and production potential of development, the introduction of new management technologies at the level of formation and implementation of economic and industrial policy of the state and at the level of a certain enterprise, in developing strategies for its development and improving the efficiency of functioning, will facilitate the return of the national economy to world economic leaders. Modern theories of catching up development are based on the innovation paradigm, therefore, the activation of the economic entities of innovative processes becomes the

basis for ensuring sustainable development of not only a certain enterprise, but also the national economy as a whole. At the same time, in Ukraine this crucial factor of economic development is not used sufficiently, due to a number of unfavorable conditions for the implementation of innovation activities.

Among the main factors, according to the majority of scientists, which determine the insufficient development of innovation activity in Ukraine, it is necessary to highlight the following: lack of developed innovative infrastructure; the unity of the mechanisms of commercialization of the results of the completed scientific-technical developments and their transfer to the sphere of production; almost complete absence of state incentives for innovation activity. In addition to the above, one can distinguish a number of factors at the level of a particular enterprise: low level productivity; lack of own sources of investment; inefficiency of management systems [1]. Based on the research of E. Toffler and D. Bell the evolutionary stages the development of the technical-technological sector of production, if not tied to them in a purely time-sensitive way, and tracking the logic and nature of change, can be represented by the scheme shown in Figure 1.5.

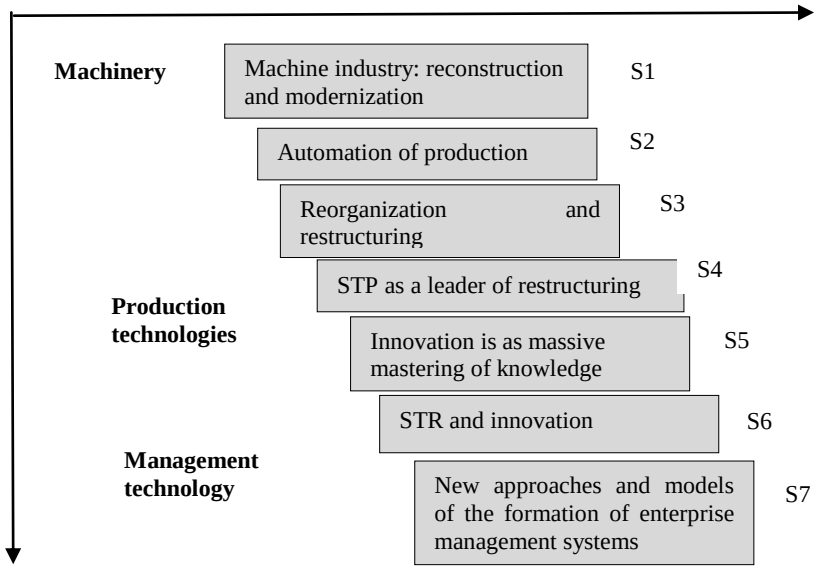

Figure 1.5. Stages of evolutionary changes in the priorities of introduction innovations in industry [2]

Presented on the figure the evolutionary changes in the priorities of introducing innovations into the production process are turbulent not only in time, but also in different segments of the market and the industries of the economy.

It should be noted that each stage of innovation development has its own characteristic properties. So the first stage (S1) – the machine industry: reconstruction and modernization, characterized by the transition from manufacture production (use manual labor) to the use of machines, that is, based on the introduction of new equipment and the modernization of existing equipment, which changed the usual technological process.

A characteristic feature of the second stage – automation of production was the use of self-regulated technical means with the purpose of freeing people from direct participation in production processes and a significant reduction the labor intensive of product production.

In the third stage – reorganization and restructuring, along with the new technique a key role have already played the management technologies that involving more closely integration and interconnection of management processes and the introduction of scientific achievements [3].

The fourth stage – STP as the leader of the restructuring is based on the consistent improvement of technique, technology and organization of production, improving its efficiency.

Under conditions of significant transformations in the technical-technological basis of production, the degree of its perfection as a whole is determined by the progressiveness of innovations that form new ways of obtaining and transforming materials, energy, information, production products, with a focus on changes in social needs. Technology acts as the final link – a form of materialization of fundamental research a means of direct impact of science on the sphere of production. If earlier it was considered as providing a subsystem of production, but now it has acquired an independent value, turning into an avant-garde direction of innovation development.

The fifth stage – innovation as massive mastering of knowledge, characterized by activation and stimulation of creative initiative and labor enthusiasm of employees that aimed at developing new technical solutions to improve the activity of enterprise and increase its efficiency. The result may be a change in the technical characteristics of products, machines, equipment, and the organization of production and labor.

The sixth stage – a combination of STR and innovation, is a logical

continuation of previous changes and involves accelerating the STP through targeted innovation activity.

Under the innovation, Lapin M.I. understands “a complex interdisciplinary area of knowledge about innovation, the science about the emergence, production and dissemination of practical innovations, the content, conditions and results of these processes”. Nesterov A.V. believes that to the sphere of innovation are also the research of resistance innovation and the development of innovative solutions. The foregoing determines the need to research evolutionary changes in the priorities of introduction of innovations in industry for formation of an innovation model of development [4].

The seventh stage – new approaches and models of formation enterprise management systems, involves the development of new approaches and models to enterprise management, both during the transition from one evolutionary stage to another, and with the current improvement of control systems.

The analysis defined in Figure 1.5 stages of evolutionary changes in the priorities of introduction innovations in industry, proves that the innovative development of the enterprise is connected both with the implementation of achievements STR, and with the fullest use of scientific, technical-technological and intellectual potential, which leads to an upgrade of the range and improvement of product quality, which is made in order to meet the needs of the society in goods or services, the way of its production and increase the efficiency of systems and management mechanisms.

As a result, ensuring the sustainable development of an industrial enterprise is largely determined by an innovative component that based on domestic, hard-imitated competitors, intangible resources, capitalization of human potential, management and protection of intellectual property, knowledge diffusion and technological base, which serve as the formation of competitive benefits.

Based on the analysis of scientific sources and the author’s personal research, it can be argued that the formation of an innovative model of enterprise development should take into account the following provisions:

- the need to form a new philosophy of enterprise management;
- the transfer of human needs to the center of target priorities of the modern enterprise development;
- transition to low-degree processes by combining in one technological unit previously separate operations;
- provision of small or non-waste production;

- increasing the level of informatization and control of the target development priorities by based of integration the information systems and computer technologies;
- shifting priorities of innovation development from technical-technological aspects to improving the efficiency of management systems;
- synchronization of modernization of the technological-technological base of the enterprise and organizational changes in the management system.

Based on a certain essence, content and patterns of modern development of science and technology (STP and STR), one can single out the general directions and priorities of innovations characteristic of most industries of the economy (Figure 1.6).

The theoretical research of the patterns innovation development of industry also confirmed and by empirical data. Thus, summarizing the foreign experience of Kondratenko E., emphasizes that 49% of enterprises that occupy leading positions in terms of sales profit, sales volumes, succeed only through the develop and introduction of new products to the market which maximally satisfy the requirements of consumers.

Thus, the successful activity of the economic entity depends to a large extent on the introduction of innovations, the ability to quickly introduce innovations and diffusion of innovation, as evidenced by the practice of activity USA enterprises.

Thus, in the process of economic globalization the greatest competitive advantages receive only those enterprises that have chosen the innovative model development, as the main tool for increasing level the competitiveness. The main issue, the solution of which depends on the success of innovation development is to form a resource potential for modernizing the economy, identifying its sources, and creating mechanisms for achieving the established goals. The experience of such countries as the USA, Japan, Germany, France, South Korea, China proves that carrying out the modernization of industrial complexes is based on the identification of priority science-intensive industries, which provides a significant increase the volumes of production of high-tech products and their exports, as well as a significant reduction in its labor intensity, material intensity and energy intensity. As a consequence of this growth is the strategic competitiveness of the economy, strengthening the position of national capital in the domestic and foreign markets.

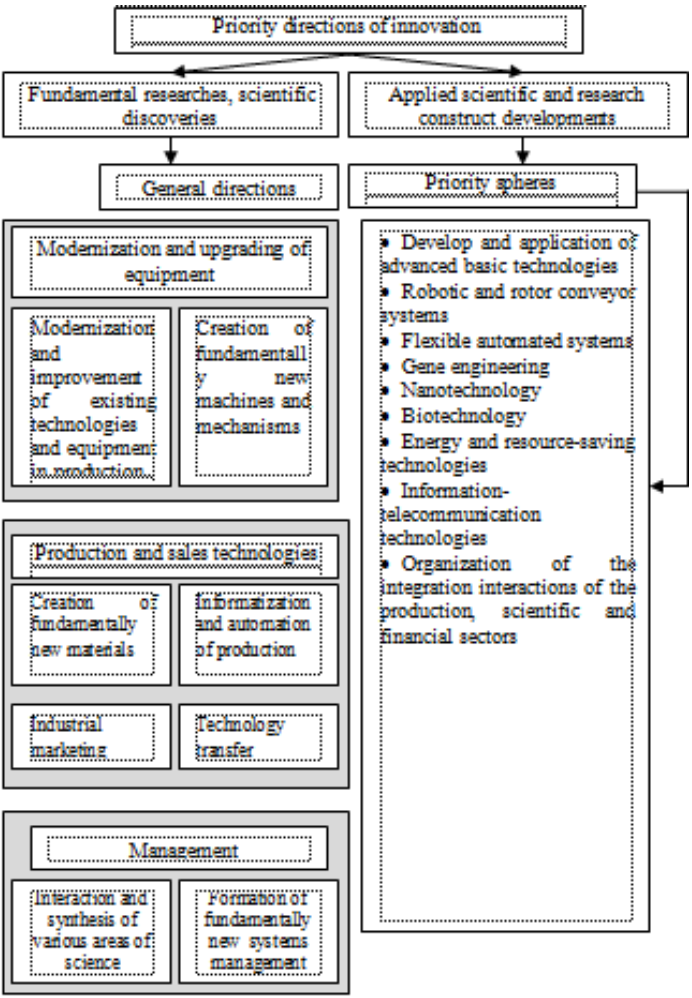

Figure 1.6 Priority directions of innovation

The need for concentration of enterprises' efforts on develops of new products and a service is due to the decline in demand for traditional goods. The develop of new products can be carried out either through its modernization or through the introduction of new (in particular, fundamentally new) goods into production, and both of these processes tend to occur at the same time. However, of the total number of projects for develop and bringing on the market of new products the available

evidence suggests that about 40% such as those related to the production of consumer goods, 20% of industrial goods, 18% of services. At the same time, according to Medinsky V.G. and S.V. Ildemenov, about 50% of costs for creation and promotion on the market of novelties accounted for products that did not find demand, and 30% of innovations that have gained recognition on the market, quickly descend from it. According to Durovich O.P., the commercial failures of new products are due to the following reasons: incorrect assessment of market requirements (32%), incorrect sales policy (13%), high price (14%), untimely entry on the market (10%), rigid competition (8%), technical imperfection of new products (23%). Thus, one of the important features of introducing new products into the market, and the introduction of innovations in general, is the high degree of market uncertainty, which needs to balance the innovative activity of the enterprise and ensure its financial stability, in order to guarantee its long-term viability. It should be noted that the share of adopted for the implementation of ideas in the whole of Ukraine for the period 2014-2018 does not exceed 20%. For comparison, in Japan it is 68%, the USA – 52%, Sweden – 45%, Poland – 30%. Thus, making a decision on the introduction of innovation it is necessary to determine the factors that influence their success. Among external needs, first of all, to determine change of demand the consumers of products.

At the same time, demand is taken into account supported by the purchasing power of actual or potential consumers. Internal factors include the availability of resources: availability of appropriate equipment (modern production technologies), personnel potential (qualitative and quantitative composition), availability of raw materials and energy resources and availability of distribution network. In addition, when introducing innovations, as part of the achievement of competitive advantages, it matters the size of enterprises-innovators. Large enterprises have a number of advantages over small market entities; in the countries with developed market economies the large enterprises are the customers and consumers and investors of a significant proportion of scientific research and develop, which are formed within the framework of small innovative structures.

This is also proved by the fact that the share of large enterprises in the total volume of production of innovative products in Japan is 80%, in England – 67%, in Germany – 63%, in the USA and Canada – 50%, in France – 44%.

Thus, it can be argued that innovation potential in the counties with developed market economies is concentrated in large enterprises. But,

bringing the original idea of a new product to the stage of material embodiment in the finished product is quite feasible and relatively small firms-innovators.

Thus, the modern process of enterprise development is derived from innovation activity that reflecting new trends in the functioning of large, small and medium enterprises, leading to the introduction of new forms of their interconnection and interaction. That is why the introduction of innovations on industrial enterprises can be considered as one of the main means of adapting them to constant changes in the environment and ensuring sustainable development, which leads to a change in the behavior of economic entities. The consequence of these processes is that today the main resource of the strategic development of machine-building enterprise in the conditions of the spread of the "nowledge economy" is not only the factors related to the improvement of production product (technical-technological), but also the intellectual, creative potential of personnel, unique organizational knowledge , models and systems management that were first proposed in the concept of key competencies of the organization G. Hamel and K. K. Prahalad. This concept is based on the formation of intellectual leadership of the enterprise, which is based on the development of specific, difficult imitated competitors, sources of sustainable competitive advantages – key competencies. The synthesis of the research of the evolution of the priorities of the enterprise's innovation activity, the theory of "key competencies", analysis of world and national trends of innovation development allows to highlight the following general key competencies of its innovation development, related to increasing its competitive advantages: firstly, increasing the efficiency of production capacities enterprises and production technologies. This direction allows the enterprise to occupy dominant positions on the market, in terms of reducing the cost of production, which it produces. Secondly, it is an exit into the external environment and the positioning of the enterprise in terms of the domination of innovative products, which forms consumer demand and additional consumer value to the buyer. Third, and most importantly, improving the efficiency of management. This direction allows the enterprise to introduction of innovate in the most effective way by reducing not only the costs but also the time associated with their introduction, and as a consequence, increase the flexibility of the enterprise (the rate of adaptation) to changes occurring in the external environment, this offset the market uncertainty and increases the market value of economic entity.

The above specific provisions need to be supplemented by the following thesis, the key competences of innovation development of the enterprise are a set of interdependent and complementary priority directions of its innovation activity, which ensures stable competitive advantages and is formed in a triangle: modernization of equipment – updating of products – improving the efficiency of the management system.

Thus, the basis of modern philosophy of entrepreneurial success is to subordinate all interactions in the internal environment of the enterprise to the goals develop, production and sale of competitive products, which, in the conditions of high dynamism of needs and requirements of the consumer to quality, makes the concept of "competitive" and "innovative" products rather close among ourselves. At the forefront is also the focus on long-term success and flexible response to consumer demands [5].

Considered of the processes of implementation innovations and ensuring the competitiveness enterprise, as mutually conditioned, justifies the approach to determining the innovation policy enterprise in terms of formation priorities for the introduction of innovations that ensuring its competitiveness in the strategic perspective.

Based on carried out researches, we can conclude that in modern conditions of activity the innovative component becomes dominant force. At the same time, Ukrainian industrial enterprises require the formation a new system of development priorities, which is based on ensuring the effectiveness and efficiency of introduction the innovations.

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Chapter 2

MECHANISMS MANAGEMENT THE INNOVATION PROCESS OF ECONOMIC ENTITIES

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THEORETICAL ASPECTS OF TRADE ENTERPRISE AND POPULATION NEEDS

A trading company is called the main link in the sphere of trade, it is an independent economic entity with the right of a legal entity, which is the final point of retail sale, created for the purchase, storage and sale of goods, the provision of related services for the purpose of profit and satisfaction of market needs.

In a market economy, all retail traders have equal terms. This competition can take internal and mutual forms. Internal competition takes place between similar in specialization and equivalent in terms of activity of enterprises, and the mutual one is in the competition between trading enterprises with different volumes of turnover and the degree of organization of trade in the sale of goods of the same range. Competition on the consumer market in modern conditions is an important factor in activating the activities of retailers.

In order to ensure a stable environment on the consumer market, the retailer develops a commercial strategy that should include the following elements: the choice of the market segment, specialization and parameters of the entity; calculation of need for start-up capital; formation of retail trade assortment; identification of suppliers and requirements in the volume of procurement; formation of a range of services for buyers; designing retail selling methods; analysis and forecasting of the state of affairs and risk; formation of its own target policy of the subject; establishment of optimal forms of payments with suppliers; establishment of forms of material incentives for staff;

calculation of the possible amount of income; forecast of the sum of fixed and variable costs; forecast of possible amount of profits; Establishing the directions of distribution of profits.

As a result of the study of commercial entrepreneurship as an independent market player in Ukraine, we found that all trading enterprises carry out such activities as researching the market of goods, trade and production, innovation, economic, commercial, after-sales service and social services; There are two types of retail and wholesale trading companies; retail enterprises are classified according to: commodity specialization, scale of activity, service method and consumer group; retail enterprises perform basic and additional functions; between trading enterprises there is internal and mutual competition; To provide a sustainable environment on the consumer market, a retailer develops a commercial strategy.

Determination of the essence and characteristics of business activity in trade and detailed elaboration of the theory of economic mechanism allowed to interpret the economic mechanism of regulation of entrepreneurial activity in retail trade as a system of economic, legislative and administrative methods, levers, measures and organizational forms of market and state regulation of entrepreneurial activity in retail trade, which ensures its optimal development in modern economic conditions. In this position, the purpose of forming an economic mechanism for regulating entrepreneurship in retail trade is determined at the macro level by ensuring the stability of the functioning of the country's economy, the economic and social stability of the consumer market, at the micro level - ensuring economic security, sustainable development and creating competitive advantages of business entities in retail trade; but the main principles include dynamics, system, stability, adaptability, flexibility, optimality, efficiency, responsibility, efficiency, reliability, etc.

As a result of the analytical study of the state and development of the retail trade system of Ukraine, in line with general economic trends [1], the characteristic features of modern entrepreneurship in retail trade are outlined and the range of problems requiring effective regulation is analysed:

- insufficient commodity saturation of the consumer market, low level of security of the population of the country by trading areas and reorientation of consumers to qualitative parameters of consumption and service;
- significant level of profitability of the industry and interest in

domestic investments, which contributes to the strengthening of competition and the active process of market sharing between commercial operators, increasing competition in favor of trading facilities of new formats (super-and g-hypermarkets);

- continued concentration of trade in networks, consolidation of trading facilities, crowding out of small shops and supermarket markets, hypermarkets and shopping centers;

- territorial disparity of the market with different degree of saturation and development potential, overcoming which is possible by providing conditions for effective development of small forms of commercial enterprise in the countryside for its state (regional) support;

- restraint of the development of entrepreneurial activity in retail trade due to the lack of effective financial and legal mechanisms of investment;

- increase of sales volumes and the retail network development mainly by the extensive way, and others.

To determine the effectiveness of business in retail, the evaluation system, which reflects the essence of the concept of "efficiency", is substantiated; has a clear goal; based on well-founded principles (integrity, integrity, hierarchy, etc.), which allow to assess the effectiveness of the subjects of trade as a system; meets certain requirements; takes into account all aspects of activity in interconnection and interdependence, as well as sector features in the current economic mechanism of regulation of business activity.

Economic analysis involves the study of economic activity and the economy of enterprises.

The main purpose of this analysis is to study objectively working economic laws with the intention of using them in practice. The essence of economic analysis is in determining the optimal rates and proportions and rational development trends.

The objects of analysis are separate business processes and directions, which form the aggregate of the economic activity of enterprises. All subjects of the analysis have numerical expressions, which are reflected in the reporting indicators. The content of the indicators expresses the economic essence of the objects, and numerical - their specific meaning.

Quantitative and qualitative characteristics of individual indicators of enterprises are interrelated. Changes of the quantitative characteristics of the indicator cause a change in quality and vice versa. This principle applies both to the individual links and the enterprise as a whole.

Indicators used for analysis are derived from reporting and accounting data. They reflect the volume and quality of the enterprise as separate parts of it and in general, which provides an opportunity to determine the economic efficiency of work and existing farm reserves to increase it. Indicators are divided into quantitative and qualitative, general and special, absolute and relative.

Quantitative indicators characterize the size of the objects being analyzed, and the changes that arise in this case. Qualitative - reflect the peculiarities of economic processes and individual objects, as well as all activities of the enterprise. For example, quantitative indicators of commodity include turnover, the number of workers, etc., and qualitative ones - profitability, productivity, etc.

The common indicators are used in the analysis of enterprises in all sectors of the economy. These are such indicators as profit, profitability, labor productivity, financial performance indicators, wage funds, and others.

Absolute indicators are expressed in terms of natural, monetary and labor dimensions, but relative in terms of coefficients, indices and percentages.

The main task of the economic analysis of trading enterprises is the objective assessment of the results of enterprises, monitoring with a view to identifying and eliminating shortcomings and the search for farm reserves and ways of their use.

Economic analysis of economic activity should cover all the levels and factors of work, be operational and conducted regularly, systematically, and its data should be practically used in the management of the economy.

In modern realities, where there is a commercial secret, internal and external analysis is carried out. An internal analysis is conducted to determine the reduction of individual costs. The materials of this analysis can use the narrowest circle of trustees and is a commercial secret. External analysis is based on a small number of indicators published on the work of entrepreneurs.

The activities of the trading company are versatile and the results of its work depend on many factors. Under the factor, in economic studies we understand the conditions that are necessary for the implementation of economic processes, as well as the factors affecting their results. Each factor that affects a particular company's performance consists of reasons. The more detailed the study of the causes of the causes is the deeper the analysis, the more fully manifested farm reserves, the more

objective is the assessment of the quality of the enterprise. Due to the fact that the results of activities consist of a variety of factors, then they are interconnected, and the negative effect of at least one of them can negatively affect the positive effect of all others. From this perspective, the factors are divided into main and secondary ones.

The influence on the results of economic activity factors are divided into complex and simple. Flexible are those that consist of a set of reasons, simple - consist of one reason. By time action distinguishes between temporary and permanent factors.

One of the important direction of reforming the trading company is a combination of the principles of free (market) and regulated formation of a trading network, and the basic principles of determining the quantitative and qualitative indicators of its development should be purely "market" principles of "economic feasibility", "benefits for consumers", the minimum allowable sufficiency". That is, in the new conditions it is worth ensuring the maximum adaptation of the structural and territorial organization of the trading company to the stereotypes and patterns of consumer behavior and their requests. The development of the type structure of a trading enterprise should be ensured not only by expanding the product and assortment specialization of trading objects, but also by deepening their social differentiation and creating on this basis the retail networks with different price levels for the same type of goods or products and a different set of trading services. Thus, trade has an important socioeconomic value for any economic model of management.

In order to assess the quality of the operation of the enterprise these factors are divided into objective, those that do not depend on the firm itself, and subjective - depending on the work of the economy.

Summing up the results of the analysis, it is necessary to identify all identified facts typical, choose the main economic results of economic activity.

Having analyzed all of the above, we can make the following conclusions: the purpose of economic analysis is the study of economic laws with the intention of using them in practice, and the essence is to determine the optimal rates and proportions and rational ways of development; objects of analysis are separate business processes and directions; indicators used for analysis divided into quantitative and qualitative, general and special, absolute and relative; internal and external analysis is carried out at all enterprises; as a result of economic analysis, a complete picture of the work of the enterprise can be seen and, for the ease of understanding and use of data, we can distinguish

typical and choose the main economic results.

An important condition for developing a strategy of behavior of trading enterprises in the market is the study of the needs and behavior of consumers in the market, their motives for choosing trade enterprises and specific products.

Consider the need as a factor in expedient consumer behavior.

There are various needs, so there is a different approach to their classification. Let's look at some of them:

1. By the nature of the emergence of needs, they are divided into basic and generated by the development of civilization;

2. In urgent need of satisfaction there are top priorities and those satisfied with luxury goods;

3. By means of providing satisfaction of needs they can be material and non-material.

Each of them can serve as the basis for certain predictions. It should be noted that there is a connection between the wealth of society and the structure of needs. In particular, the richer the society becomes, the higher the proportion of the needs of the higher level.

The buyer satisfies his needs, guided by subjective assessments of consumer goods.

For a more detailed examination of the issues, we can consider the conditions that affect the formation of the needs of consumers.

The determinative influence on the process of formation of individual needs is the factor of socio-economic content as the most influential among them is the level of family income, which forms the main constraints on the needs and individual consumption in market conditions. This factor is considered the main one, but secondary factors can not be ignored.

V.Yu. Novatsky [2] presented the next classification of the secondary factors:

1. Economic and geographical factors (country, region, city or village, population and population density, availability of production and transport infrastructures);

2. Structural and demographic factors (age, gender, family status, race, occupational-industrial affiliation, share of production-active population, level of urbanization, etc.);

3. Cultural and historical factors (religious affiliation, education, character and degree of division of society into layers, observance of traditions, linguistic features, etc.);

4. Factors of a political nature (expected level of stability of

economic conditions, availability of guarantees against forced alienation of property, attitude of the population to entrepreneurship);

5. Psychological factors (associative perception of goods, awareness of prestige, emotional motivation, psychological peculiarities of product evaluation, psychological dependence and sufficiency as a result of purposeful "processing" by public opinion and other factors);

6. Factors of individual needs (the presence of buyers, differing in the degree of intensity of consumption of goods, the preferences of individual buyers for certain products and producers, certain qualitative parameters of the product, the variety of reaction to innovations in the product);

7. Factors of relative probability (the presence of more or less stable demand for goods, the availability of reasons for the purchase, the possibility of a random purchase);

8. Factors of parametric qualities of production (indicators of quality of goods, reaction to price indices, elasticity of demand for goods, breadth of assortment of a certain type of goods, use of influence of certain parameters of production on demand).

This classification gives an opportunity to consider such influence from different parties, which helps to identify the objective reasons for the development and dynamics of real needs, determines the basic laws and trends of this development.

Taking into account all of the above, we can state that needs are classified according to the urgency, character and means that meet needs; there is a connection between the wealth of society and the structure of needs; satisfying its needs, the consumer, is guided by subjective assessments of consumer goods; the determinative influence on the process of formation of individual needs are factors of socio-economic content and a number of secondary factors.

In the conditions of increasing competition between trade enterprises, the role of understanding the needs of consumers and their criteria for choosing a supermarket is substantially increased.

First we find out what exact problems arise for consumers in the supermarket, for this we consider the results of research in supermarkets of Dnipro, which are listed in Table 2.1.

Taking into account the above problems arising from customers, there are criteria on the basis of which buyers choose supermarkets: Lack of queues in the cash-points; Low prices; Nice staff; Convenient location of the supermarket; A large selection of goods; Purity; Good meat department; Clear section on divisions; Understandable price tags; Choice of ready meals.

Table 2.1

The most common problems with supermarket buyers

Problem	Specific weight, %
Waiting time in a queue at the cash points	36,6
Unstable layouts, spaces on shelves	16,5
Bad service, incompetent or unfriendly staff	11,2
The difficult route to the supermarket, the lack of parking	8,1
Excessive prices	5,8
Overcrowded sales area for the buyers	5,8
Difficulties in defining commodity prices	4,9
Lack of special offers	4,5
Unsatisfactory assortment	3,2
Environmental requirements that are not met	3,2

Analysis of consumer problems in the supermarket and the criteria for choosing the outlet shows that for the customers it is very important to analyze the assortment of products presented in the store, but most of the managers of retail enterprises in Dnipropetrovsk region underestimate the importance of an effective assortment policy. The situation on the market motivates trading companies to prioritize production volumes to a particular buyer and their group.

If we investigate the behavior of consumers in the city Dnipro, it can be indicated that the advantage of trading enterprises is achieved due to the availability of assortment, which by its characteristics or level of service exceeds the proposals of competitors, constant control over the quality of goods sold in the trade network, the constant maintenance of the minimum range of goods to meet needs of the consumer. Formation of distinct advantages allows stabilize or increase the market share, to gain profit and outstrip competitors or to keep a leader's position.

The most demanded and profitable commodity groups are food products, since people who are in an economic crisis are eager to stock up on food to have enough supplies for the time when they run out of money. It is also necessary to note that consumers will buy not only cheap products, but also those that began to rise in price.

Consider what food products are in greatest demand in Dnipropetrovsk region. After analyzing various statistical sources, we have the following list of the most sought after food products: meat products, dairy products, confectionery, alcoholic beverages, vegetables, fruits and cereals. The most profitable from this list are alcoholic

beverages and tobacco products.

Importance for increasing the demand of buyers in the supermarket has the definition and use in practice of the main psychological factors of trade service. Psychological factors should be taken into account when equipping the store, appointing the sales manager of departments, carrying out promotional activities, organizing the calculation of goods, the performance of salesmen of work operations.

The first task of the seller in the process of selling the product is to attract the buyer's attention to a particular product. The execution of this work can be divided into two stages: the first stage is the attraction of subconscious attention, and the second one is rising of interest to the product through a variety of means, and in this regard, the transition to conscious attention. In turn, the subconscious attention contributes to the emergence of so-called impulse, unforeseen purchases of goods.

The success of a trading operation is heavily dependent on the seller's ability to influence the buyer's psychological impact. There are two ways of such an influence: rational, that is, an appeal to the mind and an emotional one that appeals to feelings, habits, inclinations, and the like.

The quality and level of service is a matter of importance for buyers. Various self-service enterprises offer almost the same level of service. Today, a wide range of shops services is one of the elements of obtaining material profit. With the expansion of services, you can significantly increase the flow of customers and, of course, increase the level of loyalty to the store.

After analyzing the needs of consumers in the city Dnipro, we can make the following conclusions: problems encountered in the supermarket are closely related to the criteria of the choice of supermarkets, the range of goods presented in the store is one of the most important components of its profitability, the greatest demand is for food products, the most profitable products are alcoholic beverages and tobacco products, in order to increase the demand of consumers, it is necessary to use the psychological factors of trade services, the quality and level of service that distinguishes commercial enterprise for consumers among others are also important.

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INNOVATIVE STUDIES OF THE QUALITY OF THE SEMI-FINISHED SOUFFLÉ WITH POSITION OF THE NORM OF PHYSIOLOGICAL NEEDS OF HUMAN

Introduction. Confectionery is one of the most attractive sectors of the food industry of Ukraine. The confectionery composition is a high-calorie foods that are high in fat and carbohydrates. The main raw material in the confectionery industry is sugar. Today the question of production of sweet products that can be eaten by all population groups, including diabetics. To achieve this goal in Ukraine is widely used sweeteners [1]. They are used not only to reduce calorie content, but also to improve the quality of the food.

The quality of food products understand the set of properties that determine their practical use to the human body. Food must meet the physiological needs of the human body and meet energy needs and nutrients. Also, food products must conform to the requirements of the organoleptic, physical and chemical properties, hygienic norms against chemical and biological structure [2].

The quality indicators are grouped into simple and complex. Single indicators of quality are established industry-standard technical documents characterize one of the properties of the products (water

content, sugar, fat, etc.).

The complex index is a measure of several properties of products or a single complex property that has some simple. It is the expression of the assessment of the level of a single number, which is obtained by combining the selected single indicators into one complex index. If one single indicator is zero, the complex index is also taken equal to zero [3-5].

October 2, 2017, was approved by decree of «Norms of physiological needs of the population of Ukraine in main nutrients and energy», where a separate daily need of children and adults in basic macro- and micronutrients (vitamins, minerals, minor and biologically active substances) [6]. The law is the daily energy consumption is determined for people according to age, sex, body weight during the metabolism, and some physical activity, which is divided into 5 groups: workers mostly mental work with very light physical activity; workers engaged in light labor with a light physical activity; employees of average weight of labor's average physical activity; workers heavy physical labor with high physical activity; workers in particularly heavy physical labor with a very high level of physical activity, and also depending on ratio of physical activity, calculated individual daily energy consumption.

The aim of work is to assess the quality of semi-finished soufflé from the perspective of the norms of physiological needs of man and of the daily diet.

Methodology and research methods. Scientific field that combines quantitative quality assessment methods [6-14], is used to justify decisions in the management of the quality of the products [15-20] and standardization, and develops a theoretical base of these methods is called qualimetry.

Comprehensive evaluation method [12, 14, 19, 20, 21] is to Express an assessment of the level of quality by a single number, which is obtained by combining the selected single indicators into one complex index [15, 16, 19, 21].

Methods of complex evaluation of the quality of the diet [21-24]:

1) The value of the absolute values for the semi-finished soufflé determined by the formula:

$$P_{ij} = \frac{M_{ij}}{\sum M_{ij}}, \qquad (2.1)$$

in M_{ij} – the contents i nutrients in the j group of substances with the diet.

2) According to the energy consumption norms of the adult population is aged 18-29 years are determined by a base value:

$$P_{ij}^{basic} = \frac{M_{ij}^{basic}}{\sum M_{ij}^{basic}}, \qquad (2.2)$$

in M_{ij}^{basic} – the value i nutrients in j the group of substances according to the norms of physiological needs.

3) Evaluation of individual indicators of proteins, fats and carbohydrates is calculated by the formula:

$$K_{ij} = \frac{P_{ij}}{P_{ij}^{basic}}^{z}, \qquad (2.3)$$

in P_{ij} – index of a nutrient material in daily ration;

P_{ij}^{basic} – basic (balanced) value of index of a nutrient material in daily ration (according to norms of physiological needs);

z – index, that considers the influence of changing index value on qualitative rate of an object, that is equal to plus 1 in proteins and carbohydrates content estimating and minus 1 in fats content estimating.

4) The values of the weighting factors m_{ij} of nutrients calculated by the formula:

$$m_{ij} = \frac{\dfrac{\sum M_{ij}^{basic}}{M_{ij}^{basic}}}{\sum \dfrac{\sum M_{ij}^{basic}}{M_{ij}^{basic}}}. \qquad (2.4)$$

5) A comprehensive indicator of the quality of a single meal in a balanced ration of nutrients for the duplex structure determined using the additive model:

$$K_o = \sum_{i=1}^{t} M_j \bullet \sum_{j=1}^{n_i} m_{ij} \bullet K_{ij}, \qquad (2.5)$$

in M_j – weighting factor groups of nutrients.

Results and their discussion. Hierarchical structure of indicators of quality of diets is shown in Figure 2.1.

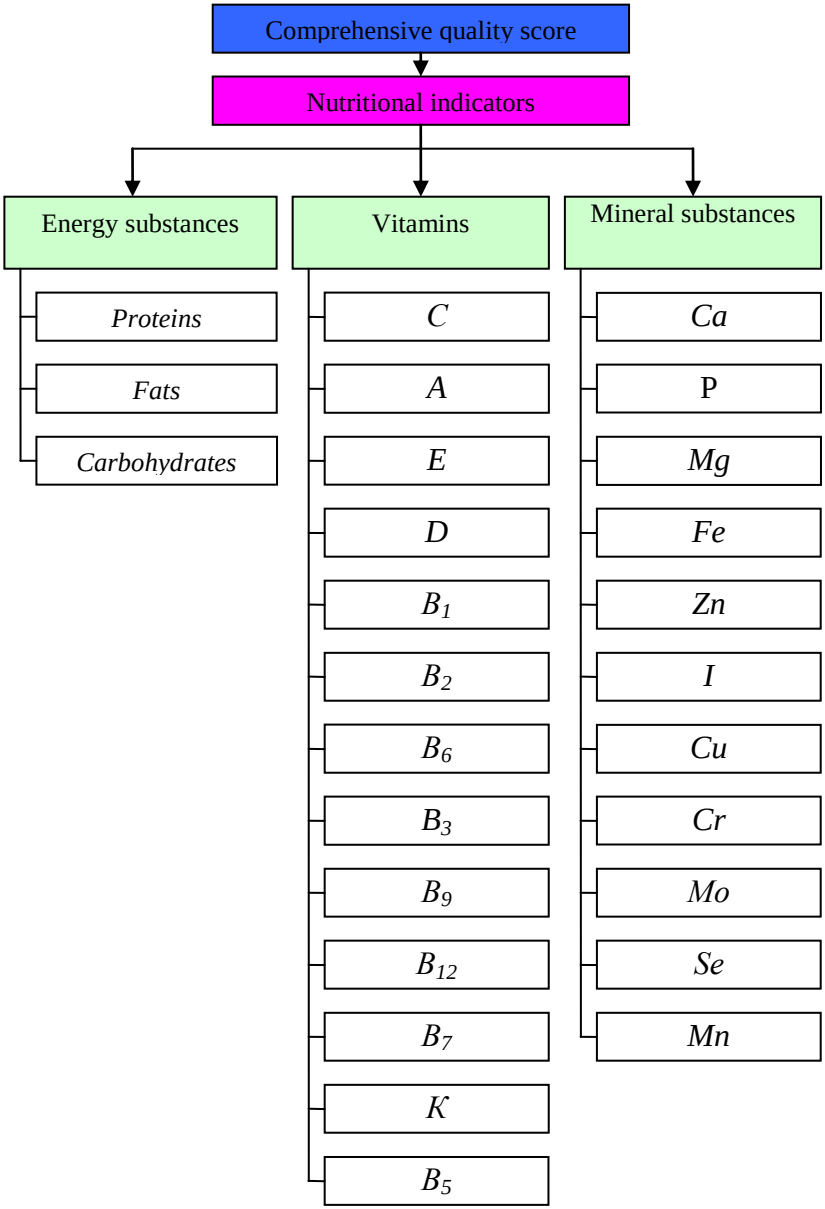

Figure 2.1 The hierarchical structure of dietary quality indicators

Given the norms of physiological needs of the adult population is aged 18-29 years was calculated comprehensive evaluation of the quality control sample of prefabricated soufflé: total amount of nutrient materials – 153 g (proteins – 61 g; fats –30 g; carbohydrates – 62 g); total amount of mineral matters – 2832,32 mg (*Ca* – 1100,00 mg, *P* – 1200,00 mg, *Mg* – 500,00 mg, *Fe* – 17,00 mg, *Zn* – 12,00 mg, *I* – 0,15 mg, *Cu* – 1,00 mg, *Cr* – 0,05 mg, *Mo* – 0,07 mg, *Se* – 0,05 mg, *Mn* – 2,00 mg); total amount of vitamins – 112,258 mg (C – 70,000 mg, *A* – 1,000 mg, *E* – 15,000 mg, *D* – 0,005 mg, B_1 – 1,300 mg, B_2 – 1,600 mg, B_6– 1,800 mg, B_3 – 16,000 mg, B_9 – 0,400 mg, B_{12} – 0,003 mg, B_7 – 0,050 mg, *K* – 0,100 mg, B_5 – 5,300 mg).

The initial data for the calculation of semi-finished soufflés of the control sample: sugar – 17,87 g; glucose syrup – 8,94 g; butter – 11,31 g; egg white (native) – 3,21 g; agar – 0,25 g; condenced milk – 5,31 g; citric acid – 0,20 g; sum – 50,00 g.

The initial data for the calculation of semi-finished soufflé of innovative technology are given: dryed egg white – 2,25 g; citric acid – 0,04 g; fructos – 20,15 g; isomalt – 13,4 g; agar – 0,5 g; dried briar – 5 g; sum – 55,00 g. In Tables 2.2-2.3 shows the allocation of the control and innovative sample prefabricated soufflé the standards for energy, minerals and vitamins in food.

The second stage involves the calculation of a comprehensive assessment of the quality of the control and innovation of the semi-finished soufflé. The calculation of a comprehensive quality assessment is presented in Figure 2.2.

Conclusions. The method of assessing the quality of dishes in hotels and restaurants is considered. The structure of quality indicators and the results of studies of complex-quantitative assessment of the quality of semi-finished soufflé is presented. Taking into account the norms of physiological needs for women aged 18-29 years, a comprehensive assessment of the quality of the control and innovation of the semi-finished soufflé product has been calculated. After calculating the content of energy, minerals and vitamins in the control sample, it was proposed to increase the vitamin content in the innovative technology of the semi-finished soufflé as a result of adding dried wild-buckthorn to the formulation, as well as to make a dairy semi-finished product as a result of the addition of sugar substitutes. By analyzing a comprehensive assessment of the quality of a semi-finished control sample and of innovative technology, it can be argued that the technology innovation soufflé is more balanced than the control sample.

Table 2.2

Recalculation of the contents of energy, minerals and vitamins for a test sample of prefabricated soufflé and innovative soufflé semi-finished technology

Energy nutrient	Control sample		Innovative sample	
Mass, g	100	50	100	55
Energy nutrients, g				
Proteins, g	22,800	0,800	89,800	2,044
Fats, g	91,500	8,400	3,200	0,110
Carbohydrates, g	311,400	27,800	325,100	36,304
Mineral substances, mg				
Ca, mg	345,0000	21,1000	135,0000	4,6870
P, mg	294,0000	19,4300	211,0000	5,2150
Mg, mg	56,0000	3,2700	46,0000	1,5020
Fe, mg	1,8500	0,1800	5,0000	0,2240
Zn, mg	1,2300	1,0500	0,8100	0,0180
I, mg	0,0140	0,0023	0,0250	0,0006
Cu, mg	0,0230	0,0030	0,1800	0,0710
Cr, mg	0,0820	0,0000	0,0110	0,0002
Mo, mg	0,0070	0,0001	0,0140	0,0003
Se, mg	0,0030	0,0008	0,1262	0,0030
Mn, mg	0,0040	0,0004	0,0300	0,0006
Vitamins, mg				
C, mg	1,0000	0,0500	1000,0000	50,0000
A, mg	0,0470	0,5000	0,8170	0,0400
E, mg	0,2000	0,1100	3,8000	0,1900
D, mg	0,0000	0,0000	0,0000	0,0000
B_1, mg	0,0640	0,0030	0,0750	0,0036
B_2, mg	0,9900	0,0390	2,3000	0,0600
B_6, mg	0,1400	0,0070	0,0000	0,0260
B_3, mg	0,4000	0,0170	2,7000	0,0930
B_9, mg	0,0031	0,0000	0,0000	0,0000
B_{12}, mg	0,0005	0,0000	0,0006	0,0001
B_7, mg	0,0102	0,0000	0,0000	0,0000
K, mg	0,0006	0,0000	0,0000	0,0000
B_5, mg	1,0400	0,0560	0,0000	0,0000

Table 2.3

Calculation of complex assessment of quality of control and innovative sample of semi-finished soufflé

Indexes	Name of sample					
	Basic values	Weight factor	Control sample		Innovative sample	
			Absolute values	Single Indicators	Absolute values	Single Indicators
	P_i^{basic}	m_i	P_i	K_i	P_i	K_i
Energy nutrients, g						
Proteins, g	0,3986	0,2489	0,0219	0,0549	0,0183	0,0458
Fats, g	0,1961	0,5061	0,2271	1,1158	0,0004	0,0019
Carbohydrates, g	0,4052	0,2450	0,7510	1,8531	0,9813	2,4216
Mineral substances, mg						
Ca, mg	0,38837	0,00001	0,48100	1,23850	0,24681	0,63549
P, mg	0,42368	0,00001	0,44256	1,04456	0,63936	1,50905
Mg, mg	0,17653	0,00003	0,07300	0,41352	0,09521	0,53932
Fe, mg	0,00600	0,00094	0,00162	0,27061	0,00880	1,46665
Zn, mg	0,00424	0,00133	0,00167	0,39521	0,00264	0,62229
I, mg	0,00005	0,10650	0,00001	0,15076	0,00008	1,54881
Cu, mg	0,00035	0,01597	0,00008	0,24036	0,00650	18,3990
Cr, mg	0,00002	0,31950	0	0,11630	0,00004	2,04941
Mo, mg	0,00002	0,22821	0	0,11076	0,00005	1,86687
Se, mg	0,00002	0,31950	0,00002	1,11133	0,00043	24,3108
Mn, mg	0,00071	0,00799	0,00002	0,03231	0,00010	0,14002
Vitamins, mg						
C, mg	0,62356	0,00003	0,06162	0,09882	0	0
A, mg	0,0089	0,00176	0,61285	68,7973	0	0
E, mg	0,13362	0,00012	0,14788	1,10673	0	0
D, mg	0,00004	0,35142	0,00018	4,03958	0	0
B_1, mg	0,01158	0,00135	0,00493	0,42567	0,00020	0,01747
B_2, mg	0,01425	0,0011	0,06162	4,32318	0,08058	5,65378
B_6, mg	0,01603	0,00098	0,00863	0,53800	0	0
B_3, mg	0,14252	0,00011	0,03532	0,24780	0,91922	6,44933
B_9, mg	0,00356	0,00439	0,00016	0,04600	0	0
B_{12}, mg	0,00002	0,58569	0,00006	2,12124	0	0
B_7, mg	0,00044	0,03514	0,00046	1,02373	0	0
K, mg	0,00089	0,01757	0,00099	1,10673	0	0
B_5, mg	0,04454	0,00035	0,06531	1,46642	0	0
Comprehensive quality assessment			*1,97753*		*1,14678*	

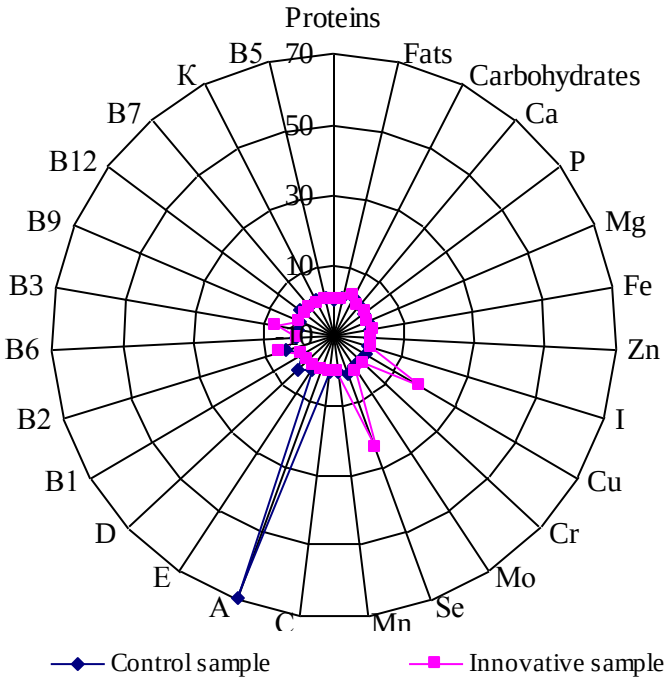

Figure 2.2 Single indexes of the quality of the semi-finished soufflé

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INSTITUTIONALIZATION OF INNOVATIONAL PROCESSES: PROBLEMS AND PERSPECTIVES OF THE REGIONS OF UKRAINE

Activation of innovative processes is one of the most priority and complicated tasks of economic development of both Ukraine and its regions. Innovation activity at the regional level depends on a whole system of factors, among which: formation of regional innovation

policy, definition the priorities of innovation development, develop of innovation programs and projects. It should be noted that in domestic research this problem is still prevailing economic-technological and organizational-economic approach. Institutional factors of innovation renewal in the economy often remain in the shadows. Many attempts to transfer the economy to the innovative way of development failed due to the inadequacy of the system of existing institutions to the needs and tasks of the development of key sectors of society's life. All this hinders the most innovative development of all spheres and hinders the success of technological and structural modernization of Ukraine.

The mismatch of existing institutes with the task of innovation development leads to an increasingly lagging Ukraine from the leading countries of the world. Structural changes that have taken place in recent years in the Ukrainian economy are characterized by the rapid loss of positions in the industries that determine scientific-technological progress. The direction and dynamics of transformation the structure of industry testify to the progressive technological lag of Ukraine from the developed countries of the world.

The share of machine building and metal processing is steadily declining, at the same time more than 60% is the production of raw materials and intermediate products. This deformation of the structure of industrial production was an inevitable consequence of the absence of state industrial policy and the reorientation of commodity producers into available solvent demand, primarily abroad. Because of this, preferences are obtained by industries that produce products with a low degree of processing [1, p. 19].

The criterion for successful innovation activity is the share of innovative products entering the market. It is currently in Ukraine a bit – 5-6%. The main reason for this situation is, first and foremost, that in the absence of a systemic investment policy with the achievement of the limit of the loading of productive assets, the potential for economic growth has reached the limit of exhaustion.

Innovative activity is the result of finding more profitable spheres of investment in case of falling average rate of return. In the conditions of the breakdown of productive and financial capital and the lack of the last mechanism of market stimulation of innovation does not work. Innovation has not yet become a proper means of increasing competitiveness. The assessment of the value of intellectual property takes place on a deformed market, separated from the potential economic effect introduction of innovation. It does not stimulate the

perfection of production of an intellectual product – the basis of innovation.

Issues of innovation development and the problem of institutional ensuring management of innovation processes were reflected in the scientific research of both domestic and foreign scientists. Among the foreign scientists, the research of innovative processes and their institutional ensuring is devoted to the works of J. Schumpeter, G. Mench, P. Drucker, B. Twis, B. Santo, V. Hartmann, R. Solow, E. Toffler and others. Of great interest is study of these issues and among Ukrainian experts: S. Bila, V. Babych, Yu. Bazhal, V. Besedin, V. Vorotin, A. Halchinskyi, V. Heyets, A. Hrytsenko, I. Lukinov, V. Martynenko, L. Fedulova and others. However, despite the fact that in the economic literature deeply and multilaterally investigated the issues of activation of innovative development processes, formation and use of scientific-technological and innovation potential, definition of the socio-economic efficiency of innovations, insufficient attention is paid to *institutional factors of the innovation renewal of the economy* and the issues of the activation of the *economic development of territories*. Unfortunately, in Ukraine at the regional level, there are no clear goals and priorities of stimulating innovation activity in the key sectors of the economy, which impedes the activation of these processes on the ground.

Formation the strategy of innovation development implies radical changes in the paradigm of Ukraine's development and corresponds to the purposefulness of Ukraine's transition to the European path of development. Based on the analysis of foreign experience, the main components of technology develop and implementations of a regional strategy of innovation development are the following:

– identification of priority sectors of the regional economy;

– analysis of the regional innovation system and each of its elements (used to identify the threats and opportunities that arising from the economic opportunities of the region) and its modeling;

– expansion of strategic priorities of innovative development of the region for specific tasks and directions of activity;

– forecasting of economic and social results from the realization of planned activities;

– identification of resources necessary for investing in the innovative sphere of the region from different sources – state and local budgets, venture funds and other sources;

– achieving consensus among entities of the regional innovation

system, performers tasks of the strategy;

– informing the public about plans, measures and their implementation [2, p. 69].

Innovative development of the region requires innovative approaches to its ensuring, which causes the transformation and in the most regional system. Management structures should be able to successfully solve various problems and contradictions that arising from the transition from the existing to the desired model of development, therefore, it is necessary to form a team of managers that would be conducive to the observance and development of the features of its innovation. In this aspect the important task of the country and regions themselves is the training of highly qualified specialists who would be able to develop effective technologies of innovative development, taking into account regional peculiarities.

The characteristic features of the domestic system of regional government and local self-government are maintaining equilibrium and existing positions. But the issue of creating a supportive innovation environment is made impossible by a number of factors, among which: the lack of effective economic and socio-psychological incentives for the realization of creative potential, overloading of employees with superfluous functions, the lack of a proper culture of relations, and most importantly – the lack of visionary regional leaders capable of creating favorable conditions for develop innovative solutions for regional development.

Summarizing the regional differences of innovation development of Ukraine, it should be noted that according to the total index innovations for 2014-2016, the leading positions are demonstrated by Kharkiv and Dnipro regions, as well as Kyiv (Figure 2.3) [3, p. 148]. This is understandable in terms of the scientific-research traditions of these regions and their competitive advantages, in particular institutional.

As the innovation development of the regions is determined primarily by the relevant government policy, further development in this direction should relate to this area and state mechanisms for the formation and use of innovative potential of the regions. It is also relevant to research forms and methods for improving the relationship in the region with regard to supporting innovation activities, innovation potential of regions and innovations in the system of regional governance as a factor of innovation development of territories.

When choosing any strategy for the development of innovative potential of the regions of Ukraine is necessary, first of all, the

formation of the institutional structure and various aspects of its implementation.

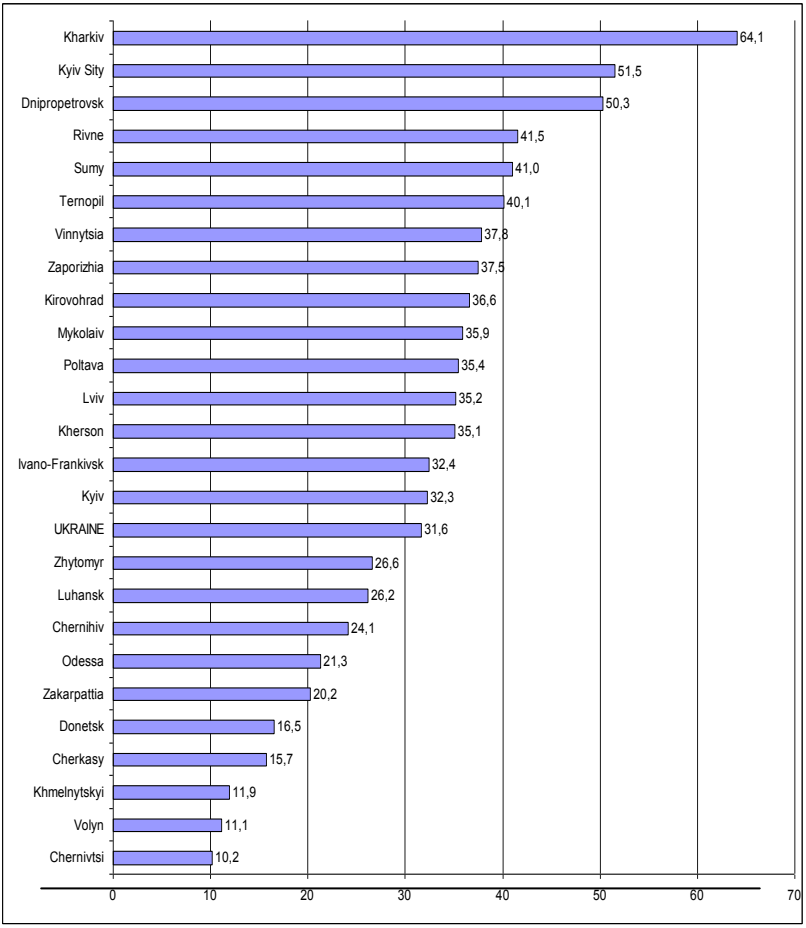

Figure 2.3 Total Innovation Index by region in 2014-2016, %

Thus, the key issue of innovation activity is the political and economic institutions of Ukrainian society, the asymmetry of economic power and the economic order that grows on its based. What is a prerequisite for maximizing profit on the rental path is private economic power, but it is also a major obstacle to innovation development. The

benefits of economic power to the rental path of maximizing income are the cost for an innovative way. The problem of changing the attitude of enterprises to innovation – is primarily the problem of changing the existing economic order and its institutions [4, p. 17].

Thus, the institutionalization of innovation development is a prerequisite for modern structural changes.

Logical is the vision of institutionalization as a process of formation of new social institutions in three aspects:

1) the process of formation and adoption by the individual and society of new social rules (laws, normative structures, traditions, rituals, etc.);

2) creation of organizational structures that are responsible for the observance of these rules and constitute the social structure of institutionalized behavior;

3) formation of the attitude of mass entities to social rules and organized structures, which reflects the coordination of people with this institutional order [5, p. 6].

Define the forms and methods of institutionalization, as well as its functions:

– reproductive, which provides reproduction of samples of livelihoods institutes and support of the institutional balance (techno-humanitarian-ecological balance);

– integration, that uniting individuals into certain social groups;

– regulatory, that regulating the process of socialization in economic relations and is a manifestation of formation an increasingly socialized institutional order of realization of the biological nature of people as a condition of social development;

– control, that controlling the behavior that deviates from the norm and ensures the heredity of its own foundations of people and society, protects them from identity disruption by preserving the conformity of sublimated protoinstitutions and institutions;

– coordination which is associated with the coordination properties of the institutes.

The mechanism of institutionalization includes the forms and methods of institutionalization, the system of develop, implementation, hierarchical ordering and adaptation of institutions in accordance with the goals of institutional development.

The objective function of the mechanism of institutionalization consists in formation of such an institutional system that is capable of ensuring economic development.

According to availability the constant changes in the sphere of social institutions, from our point of view, it is advisable to differentiate the process of institutionalization into two parts or to isolate in it two levels of institutionalization:

– *primary institutionalization*, that is, starting with a "clean board" – a process that involves the creation of a social institution and ends with the moment of its legalization;

– *secondary institutionalization*, which continues on the existing basis in the process of developing a social institution with the aim of improving or reorganizing it.

If primary institutionalization always involves the creation of a new, then secondary can occur in three manifestations, demonstrating the development of the concept life cycle of a social institution:

– *actually institutionalization*, when in its result there is something new;

– *reinstitutionalisation*, when what is already there is reformed;

– *deinstitutionalisation*, when something that exists degrades or ceases to exist [6, p. 186].

Given the turbulent state of the Ukrainian economy, the strengthening of adverse external influences, the state must provide specific conditions for innovation development, which stem from the necessity of Ukraine's observance of the chosen trajectory of the movement to the rule of law and social market system:

– promoting the demand for innovation in the national economy through enhanced reproduction of economic identity through financial and monetary policy instruments;

– regulation of technological exports and imports as components of the national innovation development strategy;

– promoting offer the innovation in the national economy through industrial, technological and educational policies;

– international scientific and technological cooperation, providing participation in international projects and programs;

– formation of financial infrastructure within the framework of the national model of public-private partnership that focused on the generation and diffusion of innovations.

The main task of institutional innovation policy in the sphere innovation in today's market conditions in Ukraine is, on the one hand, to deepen the process of systemic transformation of the economy and society as a whole, and, on the other, to create a system of institutions that guarantees the irreversibility of reforms already made by the

government today, a significant increase their economic and social efficiency.

That is why the state strategy aimed at ensuring the innovation development of Ukraine should be aimed at fulfilling the triple task:

– direct implementation of measures at national and regional levels that will contribute to improving the qualitative characteristics of domestic scientific-technological potential, intensification of the process of mastering scientific knowledge and new technologies, the comprehensive development of human capital;

– encouraging the implementation of entities the national economy of innovation activities and innovations by investment in order to increase the supply of innovative products, technologies and knowledge;

– encouraging the demand of entities the national economy on innovative products, technologies, knowledge, creation of favorable conditions for introduction of innovations into production activity and everyday life of the population [7, p. 276].

In resolving the problem of the transition of regions of Ukraine to the innovative way of development, institutional factors of innovation development are at a prominent place, as inadequate to the requirements of economic development the institutional structure of society was a serious obstacle to a positive structural change in the economy. Many progressive ideas, attempts at transformation failed precisely because of the inadequacy of the whole system of social institutions to the needs and tasks of the development of key sectors of society's life. All this greatly impedes the innovative development of all spheres and impedes the success of technological and structural modernization of Ukraine.

Institutional intensification of innovation development is to create institutional conditions for the formation of innovative active economic entities by market, whose activities are aimed at the permanent and radical updating of the material-technical base of the real sector economy. *Institutional intensification* means the continuous updating of the necessary regulatory framework for rational behavior of economic entities, creation of incentives for them to produce highly productive activities, creation of an effective mechanism for investing large-scale technologies and other innovative changes, intensifying production processes and mastering new knowledge, new technologies and their practical using.

Institutional intensification should be aimed at creating institutional mechanisms for interaction between society, state and business in order to rapidly increase the country's economic potential through

implementation innovation, and to ensuring the automatic adaptation of the economic and political system to the new conditions of competition.

Consequently, innovative development of Ukraine should be based on: implementation of a targeted state industrial and investment policy, ensuring the unity of structural and innovation policy; creation of favorable institutional conditions for innovation activity in the country: legal ensuring of innovative activity of enterprises; introduction of an effective privileged regime for the implementation of innovation activity; improvement of financing mechanisms for innovation activity; creation of special economic zones within the framework of regional policy can become a means to overcome negative tendencies in the economy, as well as a basis for the innovative development of regions of Ukraine and the country as a whole; creation of conditions for implementation the domestic enterprises the offensive strategy on foreign markets, support constructive competition on the domestic market, which will encourage enterprises to innovation activity [8, p. 27].

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MECHANISMS OF INNOVATION PROCESS MANAGEMENT OF ECONOMIC ENTITIES IN THE WORLD ECONOMIC SPACE

In modern conditions no one strong organization not can develop without strategic targets or plans. The key points in developing a strategy are:

1. Analysis of the external environment, its state and development trends. The main attention is paid to the behavior of consumers and competitors, the demand for products and services, the social and political situation, the relationship with suppliers and intermediaries, the strengths and weaknesses of positions the organization in the external environment, the identification of competitive advantages.
2. Analysis of the internal environment, resources and opportunities for their use, changes in structure, their distribution, placement and concentration.
3. Develop and formulation of the organization's goals and mission.
4. Choice a strategy for achieving the goal of responding to missions and using the benefits.
5. Determination of priorities, landmarks, constraints, stages of organization development, its movement towards the goal.
6. Estimation of critical factors of success, possible risks, permissible and inadmissible deviations.
7. Formation of a strategic plan in the form of sequential tasks, step-by-step results and achievements.

Different authors give various definitions of this concept, for example, D. Shenandl and K. Hatten considered it as a process of identifying and establishing a connection organization with its environment, which consists in the realization of selected goals and in attempts to achieve the desired state of relations with the environment by distribution resources that allow effectively and efficiently to operate the organization and its units [1]. According to R. Higgins, strategic management is a management process for the purpose of realization the

organization a mission through management of the interaction of an organization with its environment [2]. D. Pearce and R. Robinson define strategic management as a set of decisions, as well as actions for the formulation and implementation of strategies designed to achieve the goals of the organization [3]. In turn, the management mechanism provides the opportunity to choose the means of influence and their correction on the factors of management efficiency and specific situations position and development of the firm. Thus, there is every reason to assert that in the management in addition to the system and process management there is the concept of a mechanism for innovative process management of economic entities, which reflects very important, really existing phenomena, features and facts of management. Note that the mechanism of innovative process management of economic entities is part of the overall management system, which includes: goals, tasks, principles, functions, methods (Figure 2.4). In the modern economy it is indisputable that the achievement of high performance activity requires effective strategic measures aimed at achieving and improving the level competitiveness of the organization. A.A. Thompson and A.J. Strickland notes that the perfection of the organization – is the perfect implementation of the perfect strategy [4]. Effective strategic management and success of the organization have a strong positive correlation communication. Strategic management of the innovative process of economic entities in recent years has become one of the main tools that ensure the sustainability of the organization. According to O.S. Vihansky, the strategic management focuses on the production activities on of consumer inquiries, provides flexible regulation and makes timely changes in organizations that meet the call from the environment, and allows for reach of the competitive advantages that will allow the organization to survive and achieve its goal in the long run [5].

At present, companies in promising industries are faced with the fact that their not less powerful competitors know the same basic concepts, methods and approaches of strategic management. It should be noted that successful companies are faced with the fact that that there is no way ahead of their competitors, using the classic approach to strategic management.

Strategic changes are an independent tool of strategic management. In the past time strategic changes have been considered only at the stage of realization develop the strategy. According to O.S. Vihansky and other scholars, strategic changes are not an end in themselves [5]; their

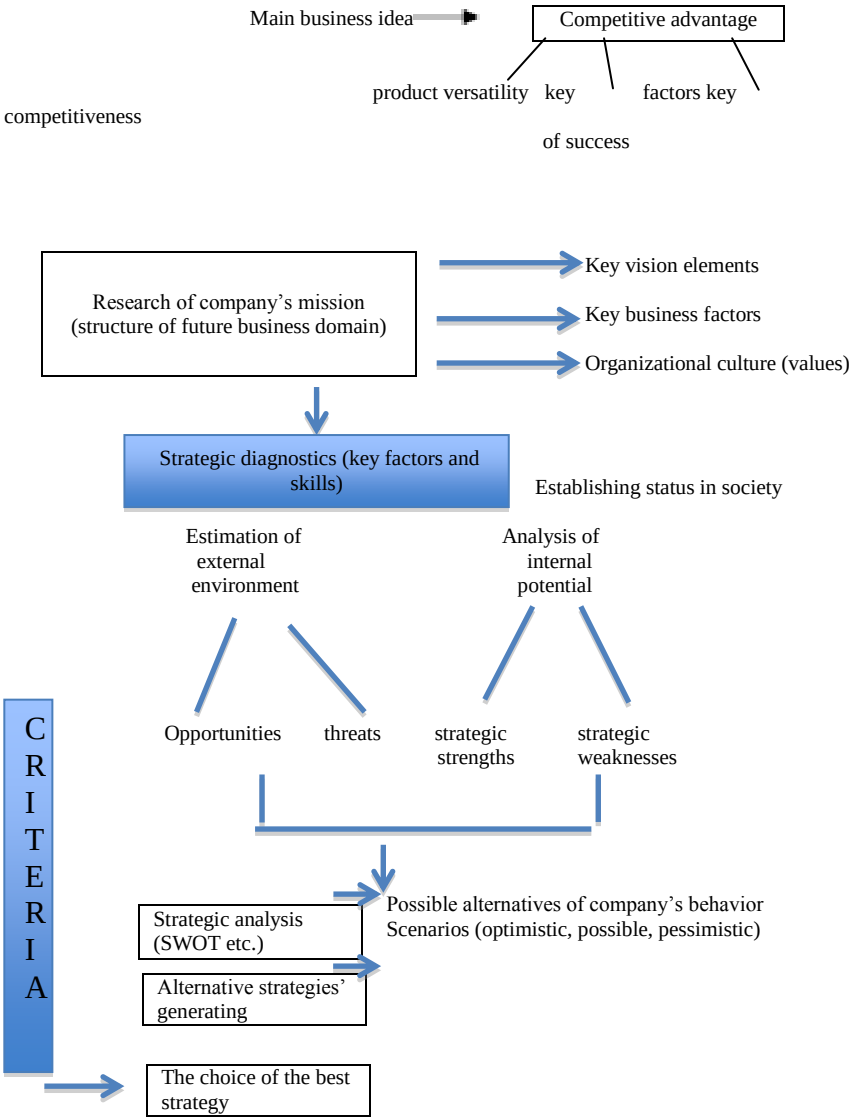


Figure 2.4 Mechanism of strategic management of the innovative process of economic entities

Source: author develop

conduct in the organization leads to the fact that it creates the conditions necessary for the implementation of the chosen strategy. The author proposes a broader understanding of strategic changes. In this regard, strategic changes should be considered as orderly, tried-and-tested process to improve the competitive position of an organization that operates not only within specific strategy. It is necessary to plan, develop and implement individual strategic changes. Also, strategic changes can really contribute to the realization of the current strategy, and may lead to the need to implement a new strategy of the organization.

In this aspect of considering a strategic change can determine how organized the process of moving an organization from one state to another qualitatively new state, which is a comparison of problems and resources of the organization. Development in today's conditions should be planned, purposeful, strategically oriented management activity, which allows the enterprise to organize itself to change adequately to changes in the external environment. Management of strategic changes in the innovative development of economic entities is the process of developing and implementing individual strategic changes, the main purpose of which is to preserve and increase the competitiveness of the organization. The main difference in the management of strategic change and strategic management is that strategic management participates in defining the goals of the organization and defining the vision and mission of the organization, and strategic change management is largely carried out within the framework of achieving pre-set goals. Strategic changes unlike the organization's strategy are more mobile require significantly less time and resources of the organization. Strategic changes do not require pre-planning they represent the organization's response to the opportunities that open to the external environment. To carry out additional strategic changes it is not necessary to carry out large-scale research of the external and internal environment of the organization. Suffice it to use the data that was received to develop and implement the current strategy and track their dynamics. By applying strategic changes more can quickly gain a competitive advantage. The companies when developing their development strategy should choose the strategic alternative in which costs and risks would be minimal and the results obtained were maximized. However, use strategic changes without a large-scale strategic management process it is impossible. Managing strategic change is part of the overall strategic management process. Strategic

management creates opportunities for strong companies to strengthen their positions, using additional strategic changes. Figure 2.5 presents the main elements of strategic change, that is, the main directions of strategic change that can bring additional competitive advantages.

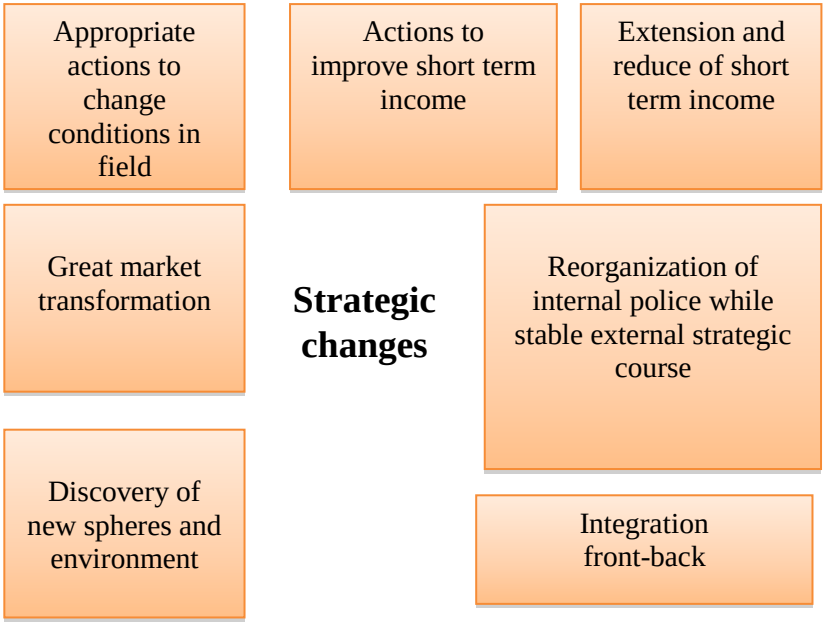


Figure 2.5 Main elements of strategic changes in the innovation process of economic entities

Source: author develop

Thus, as the factors of micro and macro environment continue to complicate, accelerate the speed of their change and the number of factors that influence on activity the organization, continuously grows, it is necessary to constantly review the very concept of strategic management, develop new mechanisms for the form and develop of the organization's strategy.

According to Peter Drucker, the most important characteristic of any company is its ability to predict future opportunities and invest in them money [6]. In foreign scientific literature, submitted research of two concepts on the management changes: Theory E and Theory O, authors of which by well-known professors of the Harvard Business School Michael Bir and Nitin Noria [7, p. 61-68].

Theory E considered the financial goals and focuses on their effective achievement (used a hard methods, focusing on making top-down changes and focusing the main attention on create structures and systems). Theory O considered the organization as a self-developing system and is more oriented towards the organizational culture, goals and motives of the organization's employees (a bigger reference point for the training and development of employees, changes of organizational culture and implementation of top-down changes) [8, p.1-33].

In its pure form Theory O based on soft methods of making changes, is less common than Theory E, which is based on rigid methods. The most important concepts in the management of change are the idea that all changes in the organization affect not only the main and auxiliary business processes, but also the work of personnel. Theory O allows us to save the trust and affection of the company's employees, which is usually destroyed when using the Theory E. It should also be noted that frequently Theory E is practiced in large organizations, Theory O is used in small and medium-sized businesses. Theory E is aimed at structuring the hierarchy in the organization by combining units, regrouping divisions, reducing workplaces, etc.

Theory O reveals the company's potential, focusing on the development and training of staff, and the improvement of organizational culture. Michael Byr and Nitin Noria believe that at the initial stages of introducing changes it is better to use a rigorous or soft approach, understanding the shortcomings and limitations of each of them. However, they note that the ability to combine these methods through the deep contradictions between the theories on which they are based is only possible by talented and trained leaders when combining rigid and soft methods is necessary to achieve maximum effect [7]. Let's imagine the most demanded of them, in order to demonstrate the fundamental differences between the theories, and distinguish their main features. To do this, we systematize the methods of Theory E, Theory O and the concept of mixed type, given the name of the model, the object and subject of change, their purpose, features of the conduct, the degree of repeatability (project or cyclic). Each of the models has its own use of copyright and a form; in systematization are structured the main stages of the presented methods and briefly and concise indicated the figurative-symbolic representation (Table 2.4).

Having carried out a comparative analysis of the models presented in Table 2.4, can note the following:

Table 2.4

Systematization the models of strategic changes management in the innovation process of economic entities

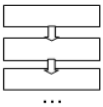
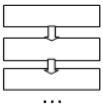
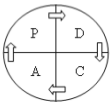
Model	Objects change	Subjects changes	Purpose changes	Main stages	Features	Repeatability	Figurative-symbolic representation
1	2	3	4	5	6	7	8
Theory E							
Restructuring	Organization structure	Leadership	Improving the organization's performance and competitiveness	1. Identify the need for introducing changes. 2.Restructuring of assets of the enterprise 3.Financial restructuring	Rational changes in the organizational social, financial activities of the enterprise. Saving fixed assets	Project	Block-scheme, rigid hierarchy top-down  …
Reengineering	Business-processes	Leadership	Achievement of the maximum result of viability the enterprise	1. Collect information on the problem 2. Definition of the optimal type of business process 3. Determination of the optimal transfer of the existing state to the optimal	Rise of the enterprise to a new level, with the help of new technical solutions. Radical re-project of the business process	Project	Block-scheme, rigid hierarchy top-down  …
Theory O							
Deming cucle PDCA	Structure and business processes of the organization	Leadership and employees of the	Continuous improvement of the quality of provision services, organization and qualifications of personnel	1. P - planning 2. D – do 3. C – check 4. A – act	The consistency of the process of continuous improvement, that is, the process of changing the process is steadily decreasing, and its results are continuously improving.	Cyclic	Cycle, Deming Wheel 
Model "EASIER"	Structure and business processes of the organization	Leadership and employees of the	Creating competitive advantages in organization in the industry	1.E - envisioning 2. A - activation 3. S - supporting 4. I - implementation 5. E - ensuring 6. R - recognizing	Understanding the need for change, creating a team to develop a project, finding and persuading investors for the need to invest in a project. Conducting activity monitoring, creation of prototype samples	Cyclic	Graph, Pentagram with equal interconnected elements

Table 2.4 (continued)

1	2	3	4	5	6	7	8
TQM	Quality of services and organization of work of the personnel	Leadership and employees of the company	Project improvement Business development	Detection 1. Quality of services, goods 2. Process organization quality 3. Level of personnel qualification	The company should work not only on the quality of service provision, but also on the quality of work organization in the company, including the work of the personnel, that is, total quality management is implemented.	Cyclic	Cycle, constant change, improvement of components
Model MCKinsey 7S	Organizational structure and principles work of the company	Leadership and staffs of the company	Creating an effective organization	Description of elements: 1. Sstrategy 2. Structure 3. Systems 4. Style 5. Skills 6. Staff 7. Shared values	The system values of the company - the central link is located in the center of the model 7S, which shows the significance and influence of the established principles of work and mission of the company on all the latest elements of the internal environment	Project	Scheme, the pentagram with the central link "Happy atom"

Source: author develop on the basis of [9, 10, 11, 12]

- models of Theory E have a more conservative approach, as a toolkit for ready-made scenarios and technologies, multi-level control, planning and distribution of the budget is carried out by leadership;

- models related to Theory O, cyclical, aimed at continuous improvement of the results, reveal the internal potential of the company, placing a stake on creativity of the team and the participation of employees in the formation and decision-making;

- models mixed type have a project content (involving both the leadership and the project team from staff), based on the organizational values of the company and the potential of staff, but they refer to the rigid structure of make the change.

The systematization of strategic change management models clearly shows the purpose and features of the models presented. But it should be noted that they do not consider the process of management in the dynamics, there is no continuous monitoring of strategic changes with the constant adjustment of key performance indicators. Currently,

changes are related to both the external environment and the internal environment (innovations, new technologies). Therefore, should try to create a quick response model for such changes. In our case, this is a dynamic model. The process of developing and implementing changes consists of an analysis of the current situation and factors that influence the activities of entrepreneurial structures, the choice of strategy change, control over the realization and implementation. Given the main stages in the content of change management models, as well as variants of managerial decisions, the author proposed the following figuratively graphical representation of the dynamic model of the process of managing strategic changes (Figure 2.6).

The object in this model is the business processes and structure of the enterprise, the subject is a creative group of employees and managers of the organization.

The goal is an effective and sustainable development of the enterprise.

Model description:

1) On the organization is influenced by the internal and external forces that cause the need for change.

2) Managers study these actions and form a portfolio of strategic changes that shape the future, they must be balanced:

- innovation and continuity;
- basic ability and emerging skills that development for use in future;
- definition of future prospects and use of known;
- focus on the main types activities and planning of additional;
- accounting of weaknesses and risks [61].

This set describes all elements of the SWOT analysis (strengths and weaknesses, opportunities and threats).

3) a conscious need for change allows you to identify the necessary (to maintain the viability of the organization) and initiated (with a prospect for the future) strategic changes.

4) an evaluation is carried out of the possibility and effectiveness of the realization of these changes through the diagnosis, testing and adjustment of strategic changes.

5) the strategic plan of the organization is formed, choosing effective strategic changes and eliminating ineffective ones.

6) changes are made.

7) consolidation of strategic changes is based on the results obtained in the course of the organization’s activities, and changes become an essential element of the organization.

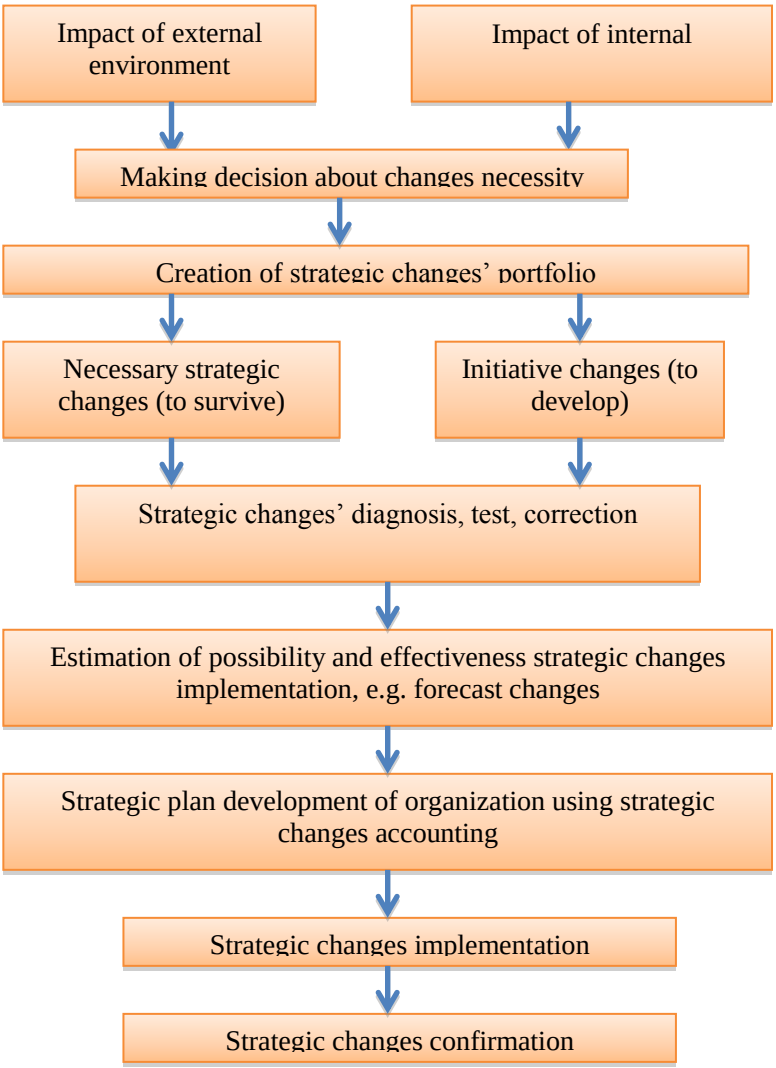


Figure 2.6 Image-graphic representation of the dynamic model of the process of strategic changes management in the innovation process of economic entities

Source: author develop on the basis of [13]

With the dynamic growth of changes, it is necessary to rethink approaches to management, and in the conditions of uncertainty and

instability the first place is the simulation of predicted situations and the development of flexible scenarios, a reference point for the formation of a portfolio of strategic changes, rapid active actions. Thus, a significant number of external and internal factors generate operational and strategic changes, and the problem of the survival and development of any entrepreneurial entity (namely, small and medium-sized businesses) depends on a timely response. Therefore, the only theoretical aspect which is stated in the topic, but not illuminated – leadership. In the opinion of the author, it is expedient to follow the following definition when further consideration of leadership. Leadership is the process of influencing a group of people in order to lead them with them to jointly implement managerial decisions to achieve certain goals. Modern strategic management is impossible without an individual, innovative approach to changing circumstances in order to achieve new promising directions of development, that is, management is impossible without leaders. In modern management, leadership integrates the interpersonal factors of the organization to orient them towards achieving the goals of the organization. Management and leadership are synonyms, but the ability to be a leader is the key to becoming a manager. Strategic leader is the one who can transform an employee into a like-minded or follower. Strategic leadership distinguishes between the ability to work with the events of the future (which have not yet happened). This ability can exist as a phenomenon (personal qualities of the manager) and / or as a management system (technology of future management). In the most general case, technology is the ability to reproduce activities. When we analyze the technology of strategic leadership, we mean the ability of management to create and reproduce the leading position of the organization among its own. One of the methods of macro environment analysis is PEST analysis (Figure 2.7). The purpose is to track changes in the macro environment in the four main directions, as well as to identify trends. The analysis of the macro- environment includes: its comprehensive study, forecasting and evaluation of the direction of change in terms of the direction of impact on the organization. This analysis allows you to determine the significance of events, assess threats and strategic changes [14].

PEST analysis allows you to trace how social, technological, economic and political factors affect the organization's activities. Consider each factor in more detail. Political-legal factors include: tax policy and legislation, political regime in the country and the degree of its stability, antitrust law, regulation of employment, external economic

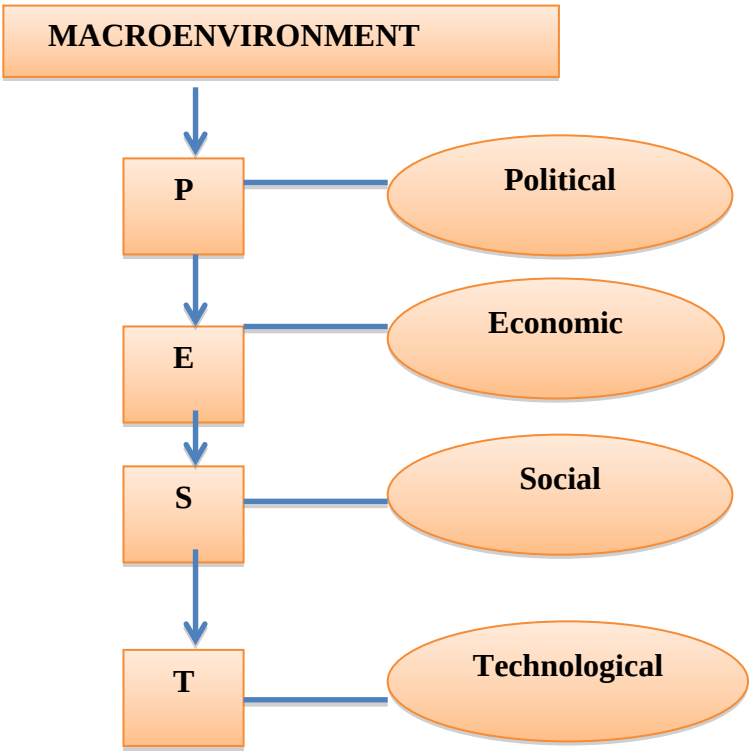


Figure 2.7 PEST - analysis of economic entities

Source: author develop on the basis of [14]

legislation, trade unions and other pressure groups, main political parties and public associations, the general nature of interaction politics and business.

Economic factors: GNP trend, the stage of the business cycle, the level of inflation, investment activity, the budget deficit, the share of the public sector and the nature of state regulation of the economy and social sphere, the unemployment rate. Socio-cultural factors include: demographic structure of the population, social mobility of the population, socio-economic structure of the population, mentality, protection of intellectual property. Technological factors: the state of scientific research, the degree of modern technology and technological basis of the economy.

The next method of analysis is SWOT. The idea of a SWOT analysis is as follows:

a) making efforts to turn its weaknesses into strengths and threats in opportunity

b) development of strengths of the firm in accordance with their limited capabilities.

SWOT analysis can be carried out in five stages. At the first stage of the SWOT analysis, the strengths of the firm are studied – its competitive advantages in the following areas:

- patentability of goods that produced, prices of goods
- progressiveness of technology
- qualifications of personnel
- the cost of resources that used by the firm
- age of fixed assets
- geographic location of the company, infrastructure
- management system (including marketing)
- the force of competition at the entrance and exit of the management system of the firm, etc.

At the second stage of SWOT analysis the weaknesses of the firm are studied. It begins with an analysis of the competitiveness of goods that produced in all markets. The tree of indicators of competitiveness is being constructed: at the zero level – a complex indicator of the competitiveness of a particular product; at the first level – a beneficial effect, aggregate costs, conditions of use of the goods; at the second level – specific indicators, etc. The indicators are calculated according to the constructed indicator tree. Assemble or predict similar indicators for a competing product. The weaknesses of the firm's competitive advantages in the first stage are determined.

At the third stage of SWOT analysis, the factors of macro-environment of the firm are studied with the aim of forecasting strategic and tactical threats to the firm and timely prevention of losses. The fourth stage examines the strategic and tactical capabilities of the firm, necessary to prevent threats, reduce weaknesses and multiply strengths of the firm. At the last, fifth stages of the SWOT analysis, the forces are coordinated with opportunities for the formation of the project of individual sections of the firm's strategy. Strategic planning should be applied in conjunction with the planning of managerial capabilities and management of the overall process of strategic change. Only then is it really effective. There are two types of strategic behavior:

• gradual, in which goods and markets development as they gradually make changes to their improvements, following the historical logic of the firm's own development (competitive behavior)

• interrupts, changes the logic of the evolutionary process through the replacement of technologies, correction of the company's internal structure, diversification and internationalization (entrepreneurial behavior).

It comes to the understanding that entrepreneurial and competitive behaviors vary considerably from one another, each requiring their own management structures. From the above it follows that profiles of managers – "entrepreneurs" and managers-"competitors" should be different. These differences are shown in Table 2.5.

Table 2.5

Comparison of managers' profiles by I. Ansoff economic entities

Competitive	Entrepreneurial
A look at the world Inward direction: - firms - industry - countries (regions) - culture	A look at the world Linked to: - the external environment - several industries - several countries - several cultures
Personal values Economic incentives and power Stability Subordination	Personal values Economic values and dedication Variability Deviation
Skills Obtained with experience Popular strategic leader Manifests participation Set goals Solves familiar problems Solves problems intuitively	Skills Obtained with a career Charismatic leader, politician Creates a vision of the problem Solves new problems Solves the problem creatively
Takes responsibility for known risk The essence of the problem is being sought Controls activity Plans, based on the past	Takes on herself risk liability He is not interested in the causes of the difficulties encountered Controls creatively Plans, based on entrepreneurial views

Source: author develop

The author considered only two types of behavior of the company: entrepreneurial and competitive. But in practice, every type of behavior has its own varieties. Operational behavior ranges from decisive and aggressive resistance competition to bureaucratic neglect to buyers,

inherent in monopolies. The author has every reason to suppose that there is an interconnection between the aggressiveness of the firm's external behavior and its internal managerial abilities. The methodology allows you to carefully change strategy of the firm and its managerial capabilities, in accordance with the demands of the future environment.

The author turns to the business abilities of the company. First of all, the author drew attention to environment or the surroundings of the firm and considered his competitive and entrepreneurial characteristics, which are presented in Table 2.6.

Table 2.6

Determination the environment of economic entities

Characteristics	**Levels of turbulence the environment**			
	Stable (1)	**Reactive (2)**	**Cheating (3)**	**Initiative (4)**
Structure (1)	Monopoly	Oligopoly	Oligopoly	***Competition (a large number of competitors)***
Buyer pressure (2)	No	Weak	Weak	***Very large***
Demand growth rates (3)	Slow and stable	***Increasing and steady***	***Slow and vibrating***	Fast, oscillating
Stage of the industry's life cycle (4)	***Maturity***	Early growth	Later growth	Emergence
Profitability (5)	High	High	***Moderate***	Low
Differentiation of services (6)	No	Low	***Moderate***	Low
Life cycles of services (7)	Long	***Long***	Short	Short
The frequency of new services (8)	Very low	***Low***	Moderate	High
Scale effect (9)	Great	***Great***	Moderate	Low
Capital intensity (10)	High	***High***	Moderate	Low
Critical success factors (11)	Market control	***Market share and production costs***	Approach to the buyer and the level of service	Predicting opportunities and needs

Source: author develop

The columns in this table represent four different types of competitive environment. The lines contain eleven key characteristics that cause turbulence, which can vary independently of each other. The authors also note that, depending on the level of turbulence, alternatives are also being evaluated.

Estimates from the column (1) – "stable", refer to a calm, non-turbulent competitive environment. Column (4) ("initiative") – a

environment with a high level of turbulence. The procedure for determining the turbulence of environment is that, for each characteristic, find (and circle the circle) the most successful estimate. If they set out to determine the capabilities of the company, the cited values should reflect the environment conditions expected in the next five to seven years. In a shorter period of time, ability to change is not possible.

To determine entrepreneurial turbulence turn to Table 2.7.

Table 2.7

Determination of entrepreneurial turbulence (types of entrepreneurial environment) of business entities

Characteristics	**Levels of turbulence the environment**			
	Stable (1)	**Reactive (2)**	**Cheating (3)**	**Initiative (4)**
Stage of life cycle (1)	Shrinkage growth or maturity phase	Early growth	***Final growth***	Emergence or decline
The growth rate of demand (2)	Slow	Accelerated	***Slowing down***	Fast acceleration or deceleration
Variability of technology (3)	Slow	***Slow***	Ambulance	Interrupted
The variability of the market structure (4)	Slow	Moderate	***Slow***	Interrupted
Probability of breakthroughs (5)	Low	***Low***	Moderate	High
Social impact (6)	No	***Moderate***	Strong	Very strong
A variety of technologies (7)	No	Low	***Moderate***	High
Capital requirement (8)	Low	High	***Moderate***	Very high
Profitability (9)	Great	High	***Moderate***	Low
level of aging the technology (10)	Low	***Low***	High	Interrupted
Intensity (11)	Low	Low	***High***	High

Source: author develop

For this, are used the same four levels of instability, however, this time in the table indicates the expected strategic variability of the environment. It should be noted that in the first line is meant not the life cycle of the product, but the main cycle of demand, characterizing any market. In addition, are used the following indicators of the intensity of entrepreneurial activity, such as the level of technological change, social pressures and the growth rate of demand. Determination of the characteristics of the environment occurs in a similar way – the most

suitable values are taken. By combining characteristics of the competitive and entrepreneurial environment, it is possible to draw with the help of the figure to determine the area of probable future turbulence.

To determine business capabilities of the company, we turn to Tables 2.8 and 2.9, which allow us to determine the general abilities of company leadership. The first is related to the management culture of the firm. The author considers the approaches and aspirations of a certain type of organization's behavior: prevailing values, focus of leadership attention, reaction to changes.

Table 2.8

Definition of business abilities (types of organizational culture) of economic entities

Characteristics of culture	**Internal characteristics**			
	Stable (1)	**Reactive (2)**	**Cheating (3)**	**Initiative (4)**
Leadership Values (1)	"Do not swing the boat"	"Beat fist in chest"	***"Plan ahead"***	"Dreaming about the future"
Focus of behavior (2)	Duplicate operations	***On efficiency***	On synergy and efficiency	Global efficiency
A signal calling the organization's response to change (3)	Crisis	***Unsuccessful indicators***	The feeling of impending threats and opportunities	Long-term risk
Reaction on the variability (4)	Rejects	***Accepted***	Acceleration	Search
Source of initiatives (5)	Random	***Past experience***	Past experience and extrapolation to the future	All future opportunities, including those that are not related to past experiences
Attitude towards risk (6)	Rejects	***Acceptance of known risk degree***	Search for known risks	Finding a compromise between risk and profit
Objectives of the response to external influences (7)	Reset status quo	Minimizing organizational effectiveness violations	***Improvement of activity indicators***	Maximum possible activity potential

Source: author develop

These indicators change in the transition from stable behavior, which occurs in many "bureaucratic" firms, to the active, initiative behavior characteristic of "entrepreneurial" companies. In order to compare in

these tables the authors use the same column headers as when determining the environment, but now they relate to the internal characteristics of firms.

Table 2.9 determines the capabilities of the leadership to effectively implement the appropriate types of behavior, which stem from the propensity to solve problems, the structure of power, organizational structure, etc.

Table 2.9

Types of abilities management of economic entities

Characteristics of culture	**Internal characteristics**			
	Stable (1)	**Reactive (2)**	**Cheating (3)**	**Initiative (4)**
Solving problems (1)	When problems occur, the method of trial and error	***When problems occur, diagnosis***	Well structured organization, aimed at foresight	Bad structured, creative
Focus of power (2)	Production	Production / Marketing	***Marketing / research and development***	General management
Management System (3)	Policy and procedures management	Control, budgets	***Long-term planning and budgets***	Strategic planning, joint management, capacity planning
Management information system (4)	Informal precedents	***Formal, based on past activity***	Potential future while maintaining the environment	Global future potential
Environmental surveillance (5)	None	None	***Extrapolated forecast***	Trend analysis, forming of economic, technological, social and demographic scenarios
Technology management (6)	Engineering art	***Analysis of indicators, analysis of capital investment***	Operational research, computer analysis of transactions	"What if.", analysis of acquisitions, impact analysis, multiple scenarios

Source: author develop

Let's return to Tables 2.8 and 2.9 that describe the general leadership abilities. Now, the authors have to build a general management profile of the firm, using the same procedure for allocating the values of characteristics as when determining turbulence. In the analysis of

managerial abilities of the company, which was carried out by the authors above, the type of necessary changes was determined. However, the conclusions we came to are not specific enough for the leadership to be able to act. In order to make these changes, it is necessary to correlate the main characteristics of the competitive environment and entrepreneurial environment with the basic business capabilities of a particular company, which can be changed by leadership.

After that you can analyzing the abilities and determine the target ability that will be developed by the firm. Then, using Table 2.8 – definition of managerial abilities, we define the current profile of managerial abilities of the company. By analyzing the changes in their abilities, the company definitely needs to determine the current state of things for each component. The distances between true status and target abilities are the gaps that need to be covered through training programs, organization development, changes in structure or systems, etc. If the load involved in project implementation is significant, it is very important to learn how to plan and coordinate several projects at the same time. In favor of this the fact that there is a natural sequence of elements development. By following this sequence, you can make changes in the organization more efficiently, minimizing resistance to changes. It is recommended to develop (and steadily adhere to it) a plan for the development of key managerial capabilities of the company.

In the analysis of the strategy that the authors reviewed earlier, usually sets of program and development projects of products and markets, changes in competitive strategies, the development of new technologies and diversification into new industries. No less project load can create and analysis of managerial abilities. The same organizational resources that are already involved in the competitive struggle for profit may need two different sets of projects. Therefore, if there is a general strain on strategy / ability change, need to prioritize individual components. In order to ensure the long-term stability of the new strategy, its change should follow the transformation of management capabilities of the company.

Ukraine is represented in several international ratings that using innovative potential assessment, technological and innovative competitiveness.

In the Global Index Innovation the first positions in 2018 ranked in Switzerland and Netherlands. In the third position – Sweden. Also, the ten most innovative countries include: USA, Great Britain, Denmark, Singapore, Finland, Germany and Ireland (Table 2.10).

Table 2.10

Analysis of dynamics of the Global Index Innovation in the world for 2016-2018

Countries	Place		
	2016	**2017**	**2018**
Switzerland	1	1	1
Netherlands	9	3	2
Sweden	2	2	3
United Kingdom	3	5	4
Singapore	6	7	5
USA	4	4	6
Finland	5	8	7
Denmark	8	6	8
Germany	10	9	9
Ireland	7	10	10
Ukraine	**56**	**50**	**43**
Poland	*39*	*38*	*39*

Source: author develop on the basis of [15-17]

In 2018 Ukraine occupied the highest position in the last 8 years – 43th place. And in the group below the average income level – 1 place, having traveled to Vietnam, Mongolia, Moldova, Armenia and India. Compared to 2016 Ukraine has risen by 6 points, which is due to a high coefficient of innovation efficiency, that is, the ratio of the result to innovative resources. In the sub-index of "human capital" in 2018 Ukraine ranks 43rd versus 40th in 2016. A factor that inhibits innovation development is the low level of R&D costs (62th place in 2018), which determines the search for other sources of funding and the migration of scientists beyond Ukraine. In 2018 under the sub-index "Institutions" Ukraine ranks 107th place, while in 2016-2017, it ranks 101th, including the political environment – 122th place (123rd place – 2016), regulatory the environment – 78th (82nd place – 2017, 84th place – 2016), the state of the business environment – 100th place, while in 2017 – 78th (79th place – 2016), the decrease of the position took place at the expense of the indicator – easy solvency of insolvency (118th place in 2018). In terms of infrastructure development Ukraine in 2018 will rank 89th, ranking 90th in 2017 against the 99th report in 2016.

Indicators of Ukrainian market are estimated at 42.7 points, which corresponds to 89st positions in 2018, while 81st position in 2017 (for loans – 84th, trade level and competition – 45, investments – 115).

Under sub-index the “business experience” Ukraine climbed to 27 position and ranked 46th place (by number of mental workers – 41th place, innovation links – 6 , perception of knowledge – 75).

According to the results of scientific research Ukraine in 2018 on 27 positions, against 2017 – 32nd rating position and the 33rd in 2016. Including the indicator of creation knowledge – 15th place, the impact of knowledge – 40, against 77 – in 2017, distribution of knowledge – 54.

Under sub-index the “Creativity” Ukraine improved its position by moving from 58th place to 49th, including for indictor intangible assets - 13th place, against 26 places in 2017, creative products and services – 86, online creativity – 43 (Table 2.11).

Table 2.11

Analysis of dynamics the sub-index of the Global Innovation Index for 2016-2018 by Ukraine

Sub-index of the Global Innovation Index	**Place**		
	2016	**2017**	**2018**
Creativity	58	49	58
Results of scientific research	33	32	27
Business experience	**73**	**51**	**27**
Market Indicators	75	81	89
Infrastructure	99	90	89
Human capital	40	41	43
Institutions	101	101	107

Source: author develop on the basis of [15-17]

In addition the author analyzed the ranking of countries by the Index Innovation Efficiency. The index of innovative efficiency characterizes the creation of favorable conditions for innovative performance. By this indicator in 2018 Ukraine is in 5th place, against 11 places in 2017, one position higher than in 2016. In Ukraine over 2 years has taken place the growth of the efficiency of innovation activity.

According to the analysis of the indicators of the Global Innovation Index by the methodology Bloomberg, author’s develop, in 2019 Ukraine reduced in one year four positions, i.e. 53 place among 60 surveyed countries (Table 2.12).

In 2019 Ukraine for productivity (60th place) is in a worse position, and fell into the top three outsiders for “technological capabilities” (58th place).

Table 2.12

Analysis the indicators of the Global Innovation Index Bloomberg for 2017-2018 by Ukraine

Indicators of the Global Innovation Index Bloomberg	The place is in the ranking of the Global Innovation Index Bloomberg		
	2017	**2018**	**2019**
R&D costs in relation to GDP	44	47	54
Technological opportunities	47	48	58
Productivity	50	50	60
Number of high-tech enterprises	34	32	37
Efficiency in higher education	4	21	28
Concentration of researchers	44	46	46
Patent activity	27	27	35
Overall rating	42	46	53

Source: author develop on the basis of [18]

It is also worth noting that Ukraine retains the 28th place in terms of the efficiency of higher education, which is calculated by the share of employees with diplomas HEI and the number of graduates with engineering and technical higher education. But in comparison with the rating of 2017 Ukraine on the level of higher education has decreased by 24 positions. According to patent activity Ukraine occupies a high position – 35th place.

Conclusions. It is substantiated that becoming a leader in the competitive environment of modern business will help to strategic changes management through which it is possible to take new strategic niches, to get opportunities for organization, to increase the competitive advantages, ensuring a constant growth of the company. In order to ensure the long-term stability of the new strategy, its change should follow the transformation of managerial capabilities of the company, the characteristics of which was first proposed by the author.

The tense geopolitical situation and mutual sanctions create conditions of high uncertainty and instability in the Ukrainian economy. In rapidly changing economic conditions the enterprises are forced to react promptly to external and internal factors, rebuild their internal policies by introducing new technologies and targeting consumers. A quick and successful response to changes will allow the enterprise to maintain viability in a strategic perspective.

An analysis of two major international ratings that assessing the

innovation of the economies of individual countries shows that the formation and realization of innovation potential and the introduction of innovations in Ukraine are characterized by low indicators. According to statistics data such resources of innovation activity as human capital, education, and science have relatively higher estimates, when the factors of a political nature, the state of the regulatory environment and the institutional environment – consistently lower ratings (which determine the overall rating of the country).

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ORGANIZATIONAL-ECONOMIC MECHANISM OF MANAGEMENT DEVELOPMENT OF ORGANIZATIONAL CULTURE OF ENTERPRISES

A modern enterprise is a complex socio-economic system operating in a constantly changing external environment, which, in turn, is a constant source of opportunities and threats for the development of a company. It should be noted that the existing rules, methods and technologies cease to be adequate to the current conditions of enterprise development, which makes it necessary to search for new approaches to organizational development. In solving the problem of increasing the level of competitiveness of enterprises, the central place is occupied by the questions of the transformation of organizational culture.

The problems of formation and development of the organizational culture of enterprises, the search for ways of its improvement and transformation in the context of modernization are devoted a significant number of scientific works of foreign and domestic scientists.

According to some authors (V. Pogrebnyak and Z. Yakimova), the

concept of “organizational culture” was introduced by the scientist A. Gastev in the 20^{s} of the 20th century. However, the greatest contribution to the development of this phenomenon belongs to Western (primarily American) and Japanese scientists. The first large-scale studies in this field were conducted by E. Mayo in the period 1927-1932, known as the Hawthorne Experiment on the impact of labor productivity on the “factory culture”.

Analysis of the special literature [1-14 and others] shows that there is no single scientific approach to the definition of organizational culture. As a result of the research are summarized different scientific views on the interpretation of essence and content of the concept of “organizational culture”. As a rule, foreign and domestic scientists understand this term:

a habit that has become a tradition way of thinking and a way of action that is shared by all employees of the enterprise;

a complex of beliefs and expectations shared by members of the organization;

symbols, ceremonies and myths that tell members of the organization important ideas about values and beliefs;

the unique characteristics of the perceived features of the organization, of what distinguishes it from all others in the industry;

acquired semantic systems that are capable of creating cultural space;

a set of symbols, rituals and myths that correspond to shared values inherent in enterprises;

philosophical and ideological ideas, values, convictions, beliefs, expectations, attitudes and norms that bind the organization into a single whole and are shared by its members;

implicit, invisible and informal consciousness of an organization that management the behavior of people and, in turn, is itself formed under the influence of their behavior;

collective programming of thoughts that distinguishes members of one organization from another;

common to all, relatively stable beliefs, attitudes and values that exist within the organization;

shared by all beliefs, attitudes and values that exist in the organization;

a set of beliefs, values and learned ways of solving real problems, formed during the life of the organization and tending to manifest itself in various material forms and in the behavior of members of the organization;

certain positions, points of view, behaviors in which the main values are embodied, the expression of these values is embodied in the organizational structure and personnel policy;

a dynamic system of rules shared by members of the organization;

a set of typical for her values, norms and points of view or ideas that consciously or subconsciously forming a pattern of behavior for employees of the organization.

Based on the foregoing, it is proposed to use the term "organizational culture", which, on the one hand, refers to the material and emotional environment within the organization, based on ideas, fundamental values, attitudes and views shared within the enterprise, whose carriers are management and personnel. And, on the other hand, it is the projection of these values into the external environment, manifested through the perception of the organization by external contractors and the attitude towards it. Organizational culture is considered as a set of material, spiritual, social values created by employees of the organization in the course of their work activities and reflecting the uniqueness and individuality of the given organization.

According to research, most companies understand the importance of corporate culture, but they cannot build their own effective model. Based on a survey by Deloitte [15], 87% of respondents consider corporate culture to be something important, but only 19% of them say that corporate culture in their organizations is developing successfully. However, 96% of respondents during another study noted that their corporate culture must change.

A survey of managers of large McKinsey companies [16] revealed that one of the main barriers to business development are organizational culture deficiencies (risk avoidance, lack of customer focus, disunity in the team, etc.), which directly affect the financial success of companies.

As a result of the survey "What employees think about the corporate culture of their companies" [17], factors affecting its development were identified:

the imposition of corporate values and rules in the company: 55% of respondents answered "yes", 45% answered "no";

the coincidence declared by the company of corporate values and slogans with its real values: 35% of respondents said "yes", 48% "partially", 17% said "no";

compliance of the values and principles on which is formed the corporate culture of the company to the personal values and principles of the employees: "yes" answered 37% of respondents, "partially" –

51%, “no” – 12%.

Thus, at present time is being updated the problem of developing and practical implementation of the organizational-economic mechanism for management the development of organizational culture depending from the strategic goals of the enterprise and the influence of factors of the internal and external environment. This mechanism can be considered in a broad and narrow sense. In a broad sense it is a form of organizing the interaction of market participants, structures and departments of an enterprise, internal business processes, as well as economic methods and mechanisms to ensure this interaction. In a narrow sense it is a system of organizational-economic measures relating to improving the efficiency of activity the enterprise, which means that there are interrelated organizational-administrative and economic measures.

The organizational-economic mechanism for management the development of an organizational culture of an enterprise can be defined as a set of resources, methods, tools, instruments and leverages impacts on market processes applied by the leadership of all hierarchical levels to achieve the goals of economic development of an economic system. The management mechanism is considered as one of the aspects of activity the enterprise.

The organizational-economic mechanism for management the development of an organizational culture of an enterprise includes the following structural elements (Figure 2.8): management objectives (the desired result of the activity, which must be achieved within a certain time interval); management functions (forecasting, planning, organization, accounting, control, analysis, regulation); factors influence on the development of organizational culture; organizational structure of management; management resources (material-technical, financial, social, institutional, using which is realization the selected method of management and achieved the goal); impact methods (directions, instruments); a set of instruments and tools (regulations, software, digital technology).

When forming the organizational-economic mechanism and its main elements it is necessary to solve the following tasks: to define goals, objectives and principles of the management mechanism; determine the conditions and factors of the functioning of the management mechanism; determine the subjects and objects of management; developing methods, ways and instruments management; developing a system for monitoring results.

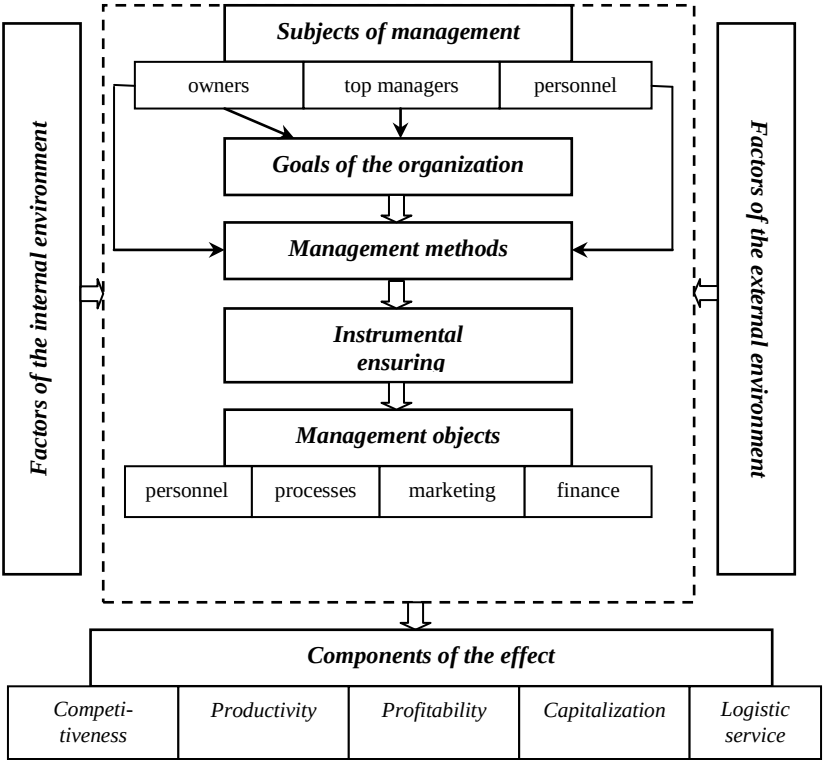

Figure 2.8 Organizational-economic mechanism for management the development of organizational culture of the enterprise
Source: author's development

The goals of creating an effective organizational-economic mechanism can be the following: growth in business capitalization, getting maximum profits, customer focus, increasing competitive advantages, digital transformation.

Depending on the chosen direction of development are ranked the goals in order degrees of importance, in accordance with this are set main the tasks of forming the management mechanism: optimization of the internal business processes of the enterprise; increase the speed of perception of innovation; consideration of factors of efficiency production the products in the formation of strategic and operational management decisions; maximum use of resources, disclosure of potential.

Of paramount importance in the formation of the organizational-economic mechanism for management the development of the organizational culture of an enterprise should be taken into account factors of influence.

Based on the analysis literature of the management are summarized the existing scientific approaches to determining the factors influence on the development of the organizational culture of enterprises. They are divided into the following groups:

adaptation to the external environment (related to the definition of a segment on the market, flexibility of the organization, ability to adapt to the environment; it includes the business environment in the country, region, industry, national culture); internal integration (task of employees);

personality-behavioral (personality of the leader, managerial emphasis, individual-behavioral and professional characteristics of employees);

structural-regulatory (mission, goals, strategy and organization structure, communication channels and organizational procedures, organization history, incentive principles, principles of selection, promotion and dismissal);

external (economic-political conditions, policies of competitors, consumer environment);

the ability to effectively get out of a conflict situation, a decentralized management system, delegation of authority, degree risk preparedness and introduction innovation, informal relationships.

Based on the foregoing, the factors of the development of an organizational culture of enterprises are proposed to be conventionally classified into two groups [18-20]

exogenous: regulatory-legal framework, society, government agencies, competitors, shareholders, investors, partners, suppliers, consumers;

endogenous: organization management – scientific-technical and innovation activity, production, personnel management, marketing and logistics, financial condition, communication policy, planning and strategizing;

employees of the organization – loyalty to personnel policy, management, mission of the organization, work activity, respect for the interests of the organization, confidentiality of information, value orientation.

The above factors require the use of certain techniques and

instruments that allow you to succeed in the transformation of the organizational culture of enterprises.

In determining the subjects of management can be divided into three groups: owners, top management, personnel of the enterprise. In this case, one should take into account the varying degree of influence on the forming of the mechanism for management the development of an organizational culture.

In the framework of the proposed organizational-economic mechanism for management the development of an organizational culture of an enterprise are proposed the following management methods, which make it possible to increase efficiency through the quality preparation of management decisions:

organizational methods are management methods based on organizational laws and on organizational relationships between people. This is the quality of business processes within an organization: the distribution of functions, duties, responsibilities, powers, the establishment of the order of business relationships, which is achieved by structuring, regulating, rationing and instructing;

administrative methods are the methods and forms of management, which are based on administration, disposition based on orders, decrees;

socio-psychological methods of management – methods of influencing the object management with the help of socio-psychological factors and aimed at management socio-psychological relations in a team;

economic management methods are a system of methods and ways of influencing on the executors with the help of a concrete comparison of costs and results (material incentives and sanctions, financing and crediting, salary, cost, profit, price).

Instrumental ensuring is a set of instruments and rules of their application for the formation of management decisions aimed at improving the efficiency of activity the enterprise.

As an instrumental ensuring is considered a model for management the development of an organizational culture of the enterprise, incorporating into her strategic aspects, goal setting technology, identifying and measuring factors, a procedure for organizing management, and methodological instruments governing measuring the effectiveness of an organizational culture depending on the type of strategic development of the enterprise.

Thus, as a result of the study can be make the following conclusions:

the constantly changing environment in which enterprises operating,

typical of the current stage development of economy, contributes to toughening the competition and requires a focusing attention on new resources for competitive survival; one of these resources is the organizational culture as the most important factor in improving the competitiveness of enterprises;

about organizational culture can only be talked about when top management demonstrates and approves a certain system of attitudes, norms and values that directly or indirectly contribute to the implementation of strategic objectives the company; in this case, the organizational culture is a powerful strategic instrument that allows you to focus all departments and individual employees on common goals, mobilize their initiative and ensure productive interaction;

organizational culture has a number of specific properties: dynamic, structured, heterogeneous, separable, systematic, relativity and adaptability;

increasing the competitiveness of the enterprise is realized through an organizational-economic mechanism for management the development of an organizational culture, which is understood as the totality of resources, methods, tools, ways and levers of influence on market processes applied to the leadership of all hierarchical levels to achieve the goals of the economic system;

the mechanism includes: management goals, factors, management functions, organizational structure of management, resources, methods of influence;

when developing a model for management the development of an organizational culture of the enterprise it is necessary to take into account the peculiarities of its activities and its position on the market;

the organizational-economic mechanism for management the development of the organizational culture of the enterprise is effectively implemented in management technology, i.e. in the complex of organizational measures, operations and techniques aimed at improving the level of competitiveness of the enterprise.

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INNOVATIVE PROVISION OF LOGISTICS BUSINESS ENTITIES

The uninterrupted character development of economic determines the need to change the ways and forms organization of business and the use of new approaches to its realization.

The dynamism of the market environment requires a radical restructuring of business entities, the formation of a system of equal interaction between producers, intermediaries and consumers based on highly complementary relations between the participants of market environment and managing these relations with using a logistic approach.

The globalization of the market, the development of international trade, the increase of the share of sector the service in gross national product, the emergence of multilateral partnerships, the informatization of society and business, the development of artificial intelligence systems in the processing of inventory items and in customer service

determine the active development of logistics as a science and as a instrument for business and management, which requires constant comprehensive innovation support.

Various aspects of innovative provision of logistics studied in the works of Chukhraj N.I. and Patora R. (2001), Flint D.J. et al. (2005), Terenina I.V. (2006), Astaf'ev O.V. et al. (2015), Christopher M. (2016) and etc.

The relationship of logistics with innovation activity is multidimensional:

- first, the use of logistics as a science on the optimal management of material and associated flows, logistic systems and processes for optimizing innovation activity means it supporting and ensuring efficiency;
- secondly, the introduction of logistics or its individual elements in the activities of business entities is already an innovation activity for them;
- thirdly, the logistics activity itself, like any other activity of business entities, needs in the innovations that increase their competitiveness and ensure their development.

Innovative logistics is the most relevant component of logistic activity, designed to explore the need and the possibility of introducing progressive innovations in the organization of current and strategic management of streaming processes in economic and other public structures in order to identify and use additional reserves by rationalizing (optimizing) this management (Kurbatov O.N. et al., 2007).

Innovative logistics is aimed at improving the level management of logistics processes through the use of various kinds of innovations aimed at improving the quality of customer service, increasing the efficiency of streaming processes and reducing the total costs of their realization. To number the main tasks of innovation logistics are the following (Protsenko I.O., 2005):

- generation of new ideas in the field of flow process management through the creative introduction of the achievements of the natural and human sciences for their subsequent use in logistic innovations in accordance with the requirements of the post-industrial economy;
- study, generalization, systematization and use of international experience in innovation activity in the field of logistics, taking into account the economic characteristics of different countries, regions, industries, fields of activity, market structures, their capabilities and the

degree of relevance of their logistical innovations;

- developing of an organizational-methodological mechanism for the use of a logistic innovation fund in relation to the real conditions of operation, development and readiness levels of existing and newly created business entities, taking into account the totality of socio-economic, organizational, technical-technological, informational, legal and personnel prerequisites;
- developing of constructive programs in the form of methods, algorithms, standards for various structures of business entities, including the creation of system logistic neoplasms;
- evaluation of the effectiveness of innovative logistics measures and programs by comparing the utility, benefits and savings from their implementation with the costs of logistics.

The developing and realization of logistics innovations are based on the following general principles (Rykalina O.V., 2011):

- achievement of financial benefits expected from the realization of innovation. The main result of increasing labor productivity and technical devices, reducing labor-intensive logistics procedures and operations, reducing the consumption of material resources through the use of efficient logistic support methods for production procedures, storage and delivery is financial assets savings;
- ensuring a balance between stability, which is guaranteed by bringing to perfection traditional management or technology, and the costs of realization innovations. Balance also implies the orientation of logistical innovations only on the really achievable organizational-economic and technical conditions created on the business entity at the moment of the realization of innovations;
- adaptation of modern forms and methods of logistic activity in the form of innovations to the existing invariance of logistics of business entities. This principle requires managing the process of realization innovations in the organizational-technical direction, which analyzes the composition and content of innovations, determines the expected results of their realization in the logistics activities of an business entity and compares them with the costs of developing or introducing innovations, taking into account obtained by this social-economic results.

The effectiveness of the process of introducing innovations in logistics activities is determined by the degree of penetration of logistics at various levels of management of business entities, where implemented relevant stages of logistics policy (Potapova N.A., 2013):

- level of strategic decisions – innovations aimed at restructuring

and transformation of logistic systems (covering the assessment of activity, location, production capacity and storage facilities);

- level of commercial decisions – innovations aimed at expanding and changing trade relations with suppliers, intermediaries and consumers (covering the restructuring of the supply chain and value);
- level of operational decisions – innovations aimed at changes in the operating cycle and changes in production (cover production restructuring, product upgrades);
- level of functional solutions – innovations aimed at organizational transformations (covers the developing and reconstruction of administration and monitoring systems, reengineering business process).

According to the Logistics Association and the consulting company (Little A.D., 2007), the current trends in the development of innovation in logistics are aimed at:

- transfer of responsibility for the introduction of innovations from line managers to top managers;
- transfer of priorities for the optimization of logistics costs on the formation of value added and customer-oriented innovations;
- use of flexible logistics systems and supply chains;
- awareness that customers and supply chain members are the main customers that encourage companies to introducing innovations;
- in-depth market research and application of approaches and methods of project management;
- attracting customers and supply chain members to earlier stages of developing innovation.

There are five approaches to understanding logistics innovation (Shcherbakov V.V. and Ivanova D.P., 2013) (Table 2.13).

Innovations in logistics theoretically are based on logistic concepts, which representing the initial base for the developing of flexible logistic models of various areas of production-economic activities:

1) The concept of total logistics costs, based on accounting, determining the element-by-element structure and the ratio of functional logistics costs, involves a constant analysis of logistics costs and their relative importance in the activities of business entities;

2) The concept of reengineering business processes in logistics is to managing processes that intersect with all the functional tasks of a business entity, which leads to optimization of its organizational structure and increased cooperation degree both within the enterprise and with external counterparties in order to create values for the consumer;

Table 2.13

Approaches to understanding logistic innovation

Approach name	Concept interpretation
Object approach	The specific object as the embodiment of the achievements of scientific- technical progress (new technique, technology)
Process approach	A complex process, including the develop, introduction into production and commercialization of new consumer values – end-use goods, technique, technology
Object-utilitarian approach	As an object – a new consumer value created on the basis of the achievements of scientific- technical progress, and as an object capable of satisfying needs with a greater useful effect than its predecessors
Process-utilitarian approach	As an object – a new consumer value created on the basis of the achievements of scientific- technical progress, and as a process of creating consumer value
Process-financial approach	The process of investing in innovations, investments associated with the developing of new technology, technique, conducting scientific research

3) The concept of integrated logistics considers the individual components of the logistics system of an business entity (supply, support of production procedures, physical distribution) as centers of logistic activity connected into a single integral process of managing material and associated flows for the most complete and quality satisfaction needs customer and achieving business goals and therefore creates a real possibility of combining functional areas of logistics by coordination of actions performed by their participants who share responsibility in the framework of the objective function;

4) The concept of supply chain management is to integrate all parts of the macro logistical system involved in ensuring the flow of goods from the source of raw materials to the final consumer of finished products into a single supply chain, using a single information bank, developing common plans, establishing partnerships, and solidifying risks, allows you to create a virtual mechanism for coordinating the actions of all participants in the supply chain;

5) The concept of global logistics involves the formation of a

strategy and tactics for creating sustainable macro logistical systems linking the business structures of various countries based on the division of labor and partnership in the form of agreements and general development plans supported at the state level.

At the practical level, innovations in logistics should be considered comprehensively, both in terms of logistic and innovative approaches.

The instruments of innovative logistics, ensuring the rational organization of logistics flows for the purpose of effective activity of business entities, is information, finance, technology and government regulation.

Based on the logistic approach, innovations are distinguished in accordance with the functions performed by logistics:

- innovations in the supply of resources or services;
- innovation in the cargo transportation;
- innovations in the logistical support of production procedures;
- innovations in cargo handling, warehousing and storage;
- innovation in the distribution of finished products to consumers;
- innovation in inventory management;
- innovation in logistics services;
- innovations in logistics management.

However, an innovative approach allows for a closer look at all the variety of logistics innovations. The most important is the allocation of types of innovations in terms of content and scope of their application in logistics: technological, organizational, managerial, marketing and environmental.

Technological innovations include product and process innovations.

Product innovations are the introduction of technologically new and technologically advanced products: systems, mechanisms, equipment, machinery or logistics services, which are distinguished by improved consumer properties or methods of use. This type of innovation is widely used in transport, warehouse and service logistics, as well as in logistics management. Product logistics innovations are aimed at increasing productivity or expanding the capabilities of used technical systems and assets, improving their ergonomics, increasing labor productivity and reducing energy or material intensity of technological operations. If logistics services are a product of production-economic activities of a business entity, then the developing, implementation and commercialization of new services are carried out in accordance with the standard scheme for creating innovations.

Process innovations are the introduction of a new or significantly

improved method of warehousing, storage or delivery of products. This includes significant changes in the technology realization of logistics functions / operations, information and software ensuring. The purposes of process innovations are to reduce logistics costs, improve the quality of products or services, reduce the duration of logistics cycles, efficiently organize logistics business processes through the use of innovative methods of transporting and storing cargo, as well as information technology to ensure them.

Organizational innovations are the introduction of new organizational methods in the logistical activity of business entities, the management of their operation or external relations. These innovations are related with the restructuring of business entities, their participation in strategic logistics alliances, regional and international expansion, the transition to multi-format, improved logistics infrastructure, outsourcing, the organization work places of logistics workers, and also the develop of measures to optimize transport, storage and other logistics processes, including the choice of rational variants of the placement, delivery and storage of material resources and products. Organizational innovations are aimed at increasing the efficiency of logistics activities of business entities through the implementation of new ways of organizing relationships and integration with other participants of the commodity market, changing their organizational structure, introducing corporate personnel management systems, increasing satisfaction employees with the state of their jobs.

With organizational innovations are closely related to managerial innovations in logistic activity, which are individual character for each business entity and allow restructuring the value creation process for customers. Their goal is innovative support of the full cycle of logistics management – from strategic planning to analyze the causes of deviations from the adopted logistics decisions and the formation of relevant managerial influences. Among managerial logistic innovations, the main role is played by managerial technologies, which increase the efficiency of business processes by optimizing good-material and accompanying their information, financial and service flows. Modern management innovations in logistics are aimed at reorienting logistics management from goods to customers, from functions to processes, from transactions to relationships, from stocks to information, estimated performance indicators of business entities from profit to efficiency achieved through logistics.

Marketing innovations are aimed at fuller satisfaction of consumer

needs and opening new sales markets, and, therefore, require appropriate logistics support. Marketing innovations in logistics suggest improving the characteristics of transport packaging of goods, using new methods of expanding and changing existing distribution channels to optimize the process of moving goods from producers to end consumers, selling and presenting logistics services by providers, their presentation and realization on sales markets, the formation of new pricing strategies taking into account the logistic costs. A feature of marketing innovations is the participation in their creation not only of producers of goods and services, but also of suppliers, consumers, intermediaries, competitors and entities of other fields of activity.

Environmental innovations in logistics are the introduction of new technologies, technical assets, logistics services, management methods and the realization of logistics business processes of business entities that contribute to improving environmental safety, improving or preventing negative environmental impacts, and efficient use of various resources. An important role in the creation of ecological logistics innovations is played by the state regulation of innovation activity, which creates conditions for the priority introduction of environmentally oriented innovations. Today, the main direction of application of environmental logistics innovations is the activity within the framework of a new type of logistics – “green” logistics: collecting and sorting waste, generated during production and consumption, their transportation, disposal or safe storage in the environment.

The logistization of the modern economy determines the active introduction of innovations into the logistical activities of business entities. The use of innovative logistics ensures the introduction of progressive innovations in the technical-technological base of logistics systems, the organization of current and strategic management of logistics business processes in order to minimize logistics costs, improve the quality of customer service, identify and use additional reserves in various areas activity of business entities that affect logistics, increasing their sustainability and adaptability in a constantly changing market environment, and their competitiveness.

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Chapter 3

FORMATION AND EFFECTIVE USE THE INNOVATION POTENTIAL OF ECONOMIC ENTITIES

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ESSENCE AND TYPES OF POTENTIAL OF CHANGES AT THE ENTERPRISE

The concept of the enterprise potential and the potential of changes is analyzed in the article. The necessity of forming the potential of changes as bases for the development of an enterprise is substantiated. Classification of the types of potential of changes depending on methods of changes is offered. The conceptual scheme of formation of potential of changes is developed: types of potential of changes, methods and models of an assessment, stages of formation and instruments of development.

Keywords: changes, management of changes, potential of the enterprise, potential of changes, types of potential of changes, methods of an assessment of potential of changes, instruments of development of potential of changes, models of an assessment of potential of changes, stages of formation of potential of changes.

In modern conditions of market economy it is difficult to present the enterprise which could achieve success in a long-term outlook without carrying out changes. The enterprises constantly implement a wide range of changes in different directions and with different intensity depending on the situation in which they appear during this or that period of the existence: change of goods and services, change of technology, change in the organizational environment and others. At the same time, the special role of organizational changes consists that these changes are directed to increase in flexibility and speed of enterprise's

adaptation to environmental conditions, its ability to cope with threats and in time to use the opening opportunities.

The analysis of works of scientists and researchers, who considered the management of changes, has shown lack of complex researches of management of changes in conditions of development of capacity of the enterprise. In this regard, the modern theory of management of changes should be in more detail analyzed on the basis of the concept of management of organizational changes in a context of development of potential.

From the point of view of D. K. Voronkov, changes are the phenomena which in essence characterize certain dynamics, the movement, development; it is process of the movement and interaction of objects and phenomena, transition from one state to another, manifestation in them new properties, functions, the relations [1].

O. I. Garafonova considers that changes are a characteristic weapon of entrepreneurs. Exactly doing new things or doing old things in a new way, entrepreneurs use changes for creation of new business or new service. Entrepreneurs look at changes as the normal healthy phenomenon. They always look for changes, react to them and use changes as an opportunity to create a new break [2, page 83].

Change is a gradual process of transitioning the organization to a new level by transforming one or more elements of the organization [3, p. 158].

Any change is a complex and many-sided process. It is impossible to make one recommendation how to manage organizational changes. There are no special instructions of carrying out changes, and there are no ready solutions of the arising problems. Implementation of changes is a collaboration of all team of changes: leader of changes, managers of changes, team of changes (staff of the organization) and agents of changes (external consultants, coaches). The key to success of innovations is an attentive following to the principles of management of changes.

Management of changes is a set complex dynamic interconnected in space and time processes. The complexity of these interconnected processes, absence sufficient quantitative information on dynamics of processes imposes certain restrictions for the choice of tools of management of changes [4, page 42]. The success of changes largely depends on its capacity, that is, from the strength and hidden opportunities, which in practice can become a reality. In domestic economic literature this term in a broad sense interpreted as available

forces, reserves, funds that can be used, or as the power level in any relation, the set of means needed for something. The concept «potential» is widely used in the economy. In General scientific context, A. E. Voronkova connects the concept of «capacity» with «strength» or «fortress» and therefore the term «potential» is traditionally used for characteristics of the funds, stocks, reserves, resources or opportunities that can be used for the solution of a certain task or achievement of a definite purpose in activity of the enterprise [5].

According to A. E. Voronkova, the potential of the enterprise in general is considered as a set of opportunities in any area to achieve specific goals, whose implementation is provided by the relevant resources of the enterprise. Thus, the potential of the enterprise, on the one hand, defines a set of resources, funds, stocks, reserves that can be used in the economic activity of the enterprise, with another - the set of opportunities of their most full and rational use, which is determined not only by the quality and the quantity of resources that the enterprise, but also qualification of its staff, innovation, information and financial resources [5].

O. I. Garafonova distinguishes the term «potential» as the presence of any hidden features that have not yet been found, or the ability to act in their respective areas. As well as a set of capabilities in any area to achieve a certain goal [6, p. 286].

In the study of the potential of the enterprise as a general category, D. K. Voronkov separates separate types of potential within the theory of capacity of economic systems: competitive, strategic, entrepreneurial, marketing, production, human, economic, market, which is associated with manifestations of opportunities of the enterprise in specific areas for further in-depth study. In this regard, the potential of the enterprise is structured by the types of its capabilities in the spheres and represents a combination of operational, financial, intellectual and employment opportunities [4, p. 42].

The potential of the enterprise (in the most general sense) - set at the disposal of the enterprise «strategic» resources that are crucial to the opportunities and borders of functioning of the enterprise in certain conditions.

One kind of the enterprise potential is the potential of changes, the types of which are systematized and supplemented in the Table 3.1.

In fact, the potential of changes in a certain way correlated with the potential of the whole enterprise, after all, characterizes the opportunities of implementing changes in all spheres of activity of the

Table 3.1

Assessment of the enterprise's potential

Type of potential aimed at:	Types of potential	Characteristics of the potential	Method of assessing the potential of the enterprise
1	2	3	4
People and culture	The potential of enterprise management	The enterprise management system, targeted for the implementation of strategic goals and formulated in the mission	Efficiency of using the attracted investments; efficiency of use of own basic and working capital; index of use of production space; of use of test benches
	Labor potential	Limit value of the possible participation of workers in production, taking into account their psycho-physiological characteristics	Assessment of the labor potential of the enterprise is the ratio of various demographic, social, functional, professional and other characteristics of groups
	Employee creativity	The potential (internal resource) of a person, the ability to discover new ways of solving problems	The level of creativity, constituting a relatively stable characteristic of personality
	Potential of enterprise life cycle	The situation when an enterprise has (or lacks) objective prerequisites for further successful business development	Enterprises that are at the final stage of their development (life cycle), such prerequisites usually do not have or they are close to zero

Table 3.1 (continued)

1	2	3	4
Structure and strategy	Potential of economic security	A combination of property and financial potentials of the enterprise, a set of resources	A numerical estimate characterizing the degree of sufficiently high financial stability and reliability of the presence of an enterprise in the target market
	Entrepreneurial (commercial) potential	The subject's ability to successfully engage in entrepreneurial (commercial) activities in a specific target market	Estimation of entrepreneurial potential is an estimation of three capitals: «human capital», «physical capital», «financial capital»
	Competitive potential of the enterprise	The property of the enterprise, which reflects the possibilities of active, dynamic self-development in the process	Characterized by appropriate quantitative and qualitative indicators (parameters)
	Resource potential	The availability of financial, human, material, technical, informational and other resources at the enterprise	Estimation of resources and efficiency of the enterprise, financial analysis of the enterprise, comparative analysis, organization of the procedure

Table 3.1 (continued)

1	2	3	4
	Enterprise marketing potential	The fact that the company has a real opportunity to monitor and respond promptly to all possible changes in the macro- and micro-market environment	A numerical integrated assessment of the effectiveness of the use of marketing potential can be defined as the sum of the actual value of the indicator
	Financial potential of the enterprise	The financial potential of the enterprise is a characteristic of the financial position and financial capabilities of the enterprise	Criteria for evaluating the results of using the financial potential of the enterprise: the amount of net profit received; coefficient of absolute liquidity; coefficient of current liquidity
Tasks and technology	Logistic potential	The ability of an enterprise to implement logistics functions and operations when achieving the maximum possible final results	The overall strategic competitive potential of an enterprise is determined by the product of the private potentials of the enterprise and the numerical estimate
	Sales potential	The presence of a real opportunity for an enterprise to produce and sell goods	Calculation of the volume of the market share won by it and considerably exceeding it (in the presence of favorable market conditions)

Table 3.1 (end)

1	2	3	4
	Innovation potential of the enterprise	Readiness and ability of the enterprise to implement for the first time or reproduce this or that innovation	Indicators of the evaluation of the effectiveness of the implementation of innovative potential
	Production potential of the enterprise	The maximum amount of output that an enterprise can produce for a given volume of factors of production	The potential volume of production, the potential of fixed assets and working capital, the potential use

Source: systematized and supplemented by the authors on the basis of [3 p. 158, 5, 7]

enterprise, that is, in all its subsystems. Therefore, it can be considered as the stock, the means, the reserve, the ability to make the transition from the previous state of the enterprise to his new status through the implementation of the changes.

D. K. Voronokov claims that the potential of changes is a set of opportunities for transition from current state of the enterprise to a new state in the future in development, and this transition is provided with presence at the enterprise of resources which can be used for implementation of changes: material, financial, innovative, information, human, organizational, etc. [1].

The potential of changes is the basis for the implementation of the enterprise properties to development and it is considered as a set of opportunities for transition from the current state to a qualitatively new that is provided by the use of material, financial, innovative, informational, human, organizational resources.

There are the following models of potential changes: a cognitive model of the potential changes, the model of successful changes, a simulation model of strategic change [7]:

- a cognitive model of potential changes is implemented on the developed algorithms of calculation of integrated indicators of various degree of integration, also using the matrix of compliance. This model

allows to identify positive and negative links between the indexes and indicators. A cognitive model of potential changes to simulate the pulsed changes of each node of the cognitive map, respectively causes the chain to change the indicators on its other vertices;

- the model of success of organizational changes allows to estimate the potential of changes, the competitiveness and market value of the enterprise according to the chosen scenario of development of the enterprise. The potential of changes of the enterprise identified by two algorithms: bottom-up (the success of strategic changes in the assessments of the current state of the enterprise) and top-down (the success of strategic changes by estimates of desired status). Indicators of potential of changes that characterize the desired state of the enterprise is marked from the lowest to the highest, defined by the functional links between them and assessed their significance based on the type of scenario;

- in the simulation model, the following are the basis for the change of potential of the enterprise as the driving force of its development: the potential of an enterprise as a set of resources and capabilities and its development as a process objectively exist - the axiom of existence; the capacity of the enterprise is not immutable and changes over time in the impact of various factors both endogenous and exogenous nature - the axiom of the immanent dynamics; enterprises may make changes of potential of the enterprise - axiom handling; the enterprise potential and its changes significantly affect the formation and course of development of the enterprise - the axiom of influence [8].

The use of these models allows to assess the potential of changes with a given level of competitiveness and market value of the enterprise, to determine the depth, the speed and scale of strategic changes and to form the ways of their implementation [5].

To form the potential for change, a conceptual scheme is proposed (Figure 3.1). The conceptual scheme includes:

- types of change potential, classified by methods of change management (potential of enterprise management, labor potential, creative potential of employees, potential of enterprise life cycle, potential of economic security, entrepreneurial potential, competitive potential, resource potential, marketing potential, financial potential of the enterprise, logistical potential, marketing potential, innovative potential of the enterprise, production potential of the enterprise);

- methods for assessing the potential for change (a method aimed at people and culture, method for structure and strategy, a method aimed at

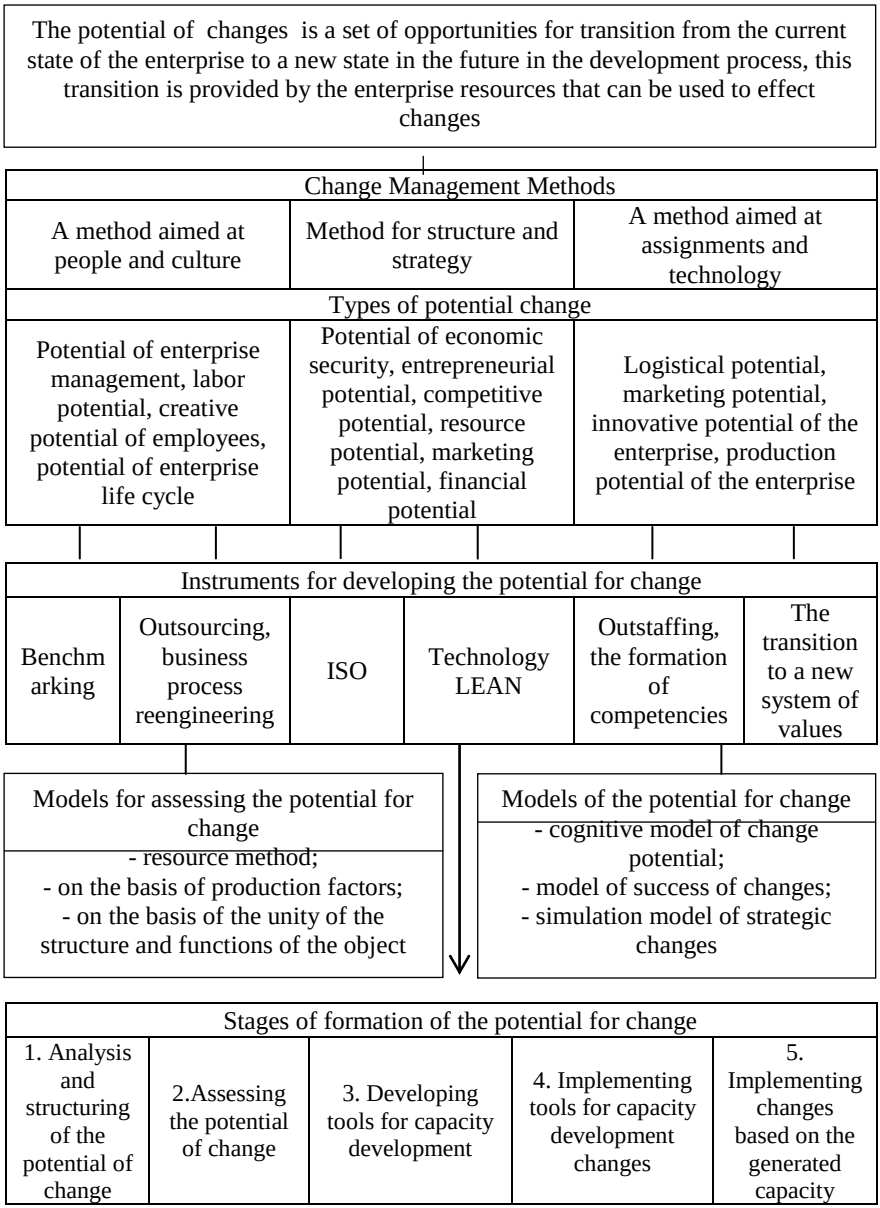

Figure 3.1 The conceptual diagram of the formation of the potential of changes in the enterprise

Source: development of authors on the basis of [1,4, p.42, 5, 7]

assignments and technology);

- models of the potential for change (resource method, on the basis of production factors, on the basis of the unity of the structure and functions of the object, cognitive model of change potential, model of success of changes, simulation model of strategic changes);

- stages of formation of the potential for change (analysis and structuring of the potential of change, assessing the potential of change, developing tools for capacity development, implementing tools for capacity development changes, implementing changes based on the generated capacity);

- instruments for developing the potential for change (benchmarking, outsourcing, business process, reengineering, ISO, technology LEAN, outstaffing, the formation of competencies, the transition to a new system of values).

The potential of changes is a key component of the concept of organizational change management.

It is the basis for the implementation of the enterprise properties for development and it is considered as a set of opportunities for transition from the current state to a qualitatively new, which is provided by the use of material, financial, innovative, informational, human, organizational resources.

The proposed conceptual framework for the formation of the potential for change will allow it to be evaluated and to choose a development instrument.

A prospect of further researches is the study of methods of an assessment of potential of changes and instruments of development of potential of changes.

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ADVANCED INNOVATIVE DEVELOPMENT OF INDUSTRIAL ENTERPRISES

Innovation today is an integral part of rapid economic growth, both at the state, regional levels, and within the industries and individual enterprises. But an important subject for research is exactly the level of innovation development, its trends within the industries and the enterprises concerned.

Advanced innovative development of the country's industry – this issue was indirectly studied by modern scholars in the context of studying innovative technologies and scientific-technological progress. To date, there has not yet been a single scientific interpretation, or a departure from this issue, the necessity for its consideration is not justified in the context of the study of the activity industrial enterprises or industry as a whole.

Among prominent scholars who were engaged in the study of the problem of advanced development should be noted S. Kuznetsov, K. Marks, M. Kondratiev [2; 9]. In their works, they tried to outline the boundaries of this concept, to define strategies for its development at the methodological level. Later, such scholars as V. Tarasevich, S. Glazyev, A. Buzgalin joined the study of this issue, now working in Ukraine fruitfully on the development of methodological foundations of sustainable advance development of S. Ilyashenko, O. Kovtun [5; 6].

Turning to the history of interpretation the notion of "advance", one should pay attention to the works of W. Dahl, who emphasized the attention of contemporary scholars that advance is the derivative of the words "race", "to be the first", "to become the first" [1]. In a market economy, the phenomenon of advance can not be without the influence of relevant economic and social laws, laws of market competition. Obviously, the strategy to overcome the technological structure can be tracked in the historically formed "arms race countries". When the European countries tried and are trying to create in our time the most powerful weapon, that weapon, which, in level of technological, innovative development is ahead of the weapons that made by America and Asia.

Such "innovative races" are implemented within the framework of the national policy the strategy of the state's advanced economic growth. G. Eliasson and E. Damen [11] in their theory of "experimentally organized economy" outlined the main provisions of economic growth:

- Opportunities, especially in business are not limited to time or space;
- Information – it is a resource, it can not be used completely, it is always possible to find a reserve, a gap;
- The person engages and processing information is limited.

That is, in the process of creating a forward-looking development strategy is formed the plane of interaction between subjective and objective factors. On the one hand, the objective factor is the information, which received by the individual, and the entrepreneurial abilities, intellectual, emotional capital that he owns, and which form the plane of subjectivity.

Eliasson in his works is suggest tracking economic opportunities, and through the appropriate instruments to put them into practice. The author proposes to direct his efforts to the opening:

- New technology;

- New source of raw and materials;
- New product;
- New type of organization.

That is, it induces the creation of qualitative advantages in relation to other market participants. It should be noted that the creation of a new product, a new technology can become a guarantee of create a new market, which will not have competitors, should first have a monopoly, then oligopoly, but it is ideally. That is, advance economic development is a competition based on innovation processes that affect state policy, industry policies, and the activities of an individual economic entity.

However, considering the theoretical postulates and practical developments of Eliasson and other foreign authors, we come to the idea that they did not take into account the importance of creating and developing new information and digital platform, which in the perspective would give the opportunity of the enterprise to innovate developed.

If information is an almost inexhaustible resource that contributes to accelerating innovation development, then one should pay attention to the question of whether there is enough human entrepreneurial, intellectual ability to rationally handle it and apply it according to its needs. The issue of innovation breakdown between the European countries and Ukraine is quite actual and urgent.

Modern scholars are trying to implement their work, to substantiate their theoretical and methodological achievements. But almost all of them are focused on the developed and implementation of innovative development strategies, which may be applied by industrial enterprises. Why is it possible? Because approbation of methodological achievements is single.

Will such an application contribute to advanced innovation development, scientists do not mention. But, one should pay attention to the fact that no development in the economy, no long-term process is almost impossible without the creation of an appropriate strategy. So, in the opinion ... innovative strategies are divided into passive and active. That is, to that which allows defending their positions on the market, protect their product from competitors, and that which is aimed at gaining new markets.

In turn, it should be noted that active strategies, according to O. Moskalenko and Yu. Shipulin, are active-offensive and offensive-passive [10; 11]. That is, those who need more time to implement. Analyzing the above, we come to the conclusion that passive strategies

of innovation development will not lead to its advanced stage, therefore their use at industrial enterprises for the needs of introduction of advanced innovation development is inappropriate, and it can be carried out only in combination with other measures, strategies.

It is also worth paying attention to such strategies for innovation development as intermediate, licensed, residual, robbery. They rely on the level of novelty of innovations that need to be implemented at the enterprise. At the level of mastering of innovations in the technological process of the enterprise.

However, at present there is a large information gap between the knowledge of science and the actual implementation of its results at specific industrial enterprises. Why is this situation exactly like? Because innovation development in our opinion should be motivated, and enshrined as a strategic goal of state development.

Innovations are intellectual, their creation and implementation is impossible without the use of intellectual capital, that is, the subjective factor of development. Any innovations are risky; therefore, enterprises use a number of statistical, mathematical methods to assess the risks and profitability of introducing those or other innovations. That is, they rely on objective calculations of the effectiveness of the implementation of those or other innovations.

It should be noted that the Innovation Union, within the framework of the strategy of innovation development 2020, directs its initiative to research the possibility of introducing the latest developments in innovative management. This is a fairly extensive system of knowledge and skills, the development of which will be aimed at improving the innovation development of European countries.

They include Ukraine. When choosing the European vector of development, our country automatically agrees to the introduction on its territory of European initiatives. Of course, we do not have such a scientific and industrial foundation for introducing innovations as our “neighbors”, but, going through the stages of the fourth industrial revolution, we are approaching our goal.

What is the problem? Domestic industrial enterprises, which are the key to sustainable development and growth of the country’s economy, have a lower level of technological development than competitors from other countries. Consequently, openness of economic boundaries, open competition on the world market of industrial products complicate the possibility of innovative development of domestic enterprises, since almost all the released funds are invested in maintaining the functioning

of the enterprise at an adequate level, and not on its development.

But in the Ukrainian industry, it has its own unique path of development, which will surely allow it to use all available resources in the economy, and to generate the latest ideas of industrial development, which will be realized through a strategy of advanced development. Practically realize what, the goal is put forward by leading scientists and large companies, associations.

The most advanced development is introduced in the activities of its industrial enterprises Japan, China, America. But they do not implement a single algorithm for the implementation of relevant innovation changes. World scholars are trying to justify, develop is united only for Ukraine and Europe counties of advanced industrial innovation strategy of industrial enterprises.

For Ukraine, such a strategy is a kind of start-up that will allow the domestic industry to get closer to the world level of development innovation. Both Japan and America – innovative developing countries witch financing, implement a strategy of advanced innovation development solely in order to maintain a competitive advantage on the relevant niches of the world market goods and services. This is required by the global competitive environment. For Ukraine, the introduction and development of such a strategy is an urgent need for the creation of appropriate competitive products.

But unfortunately, in order to implement a strategy of advanced development in most domestic enterprises is necessary a scientific-methodological basis. Domestic scholars in their works are limited to a narrow, limited in time and space formation of methodological, partly theoretical ideas, the fundamentals of state or regional advanced development.

By industry and activity of individual industrial enterprises, this issue is only indirectly affected [3; 4]. It is not seen in the works of domestic authors of the isolation of a strategy advanced innovative development of the very industrial enterprises, or even the industry as a whole. Although this industry is the most important of all, it is a guarantee of the development of the country's economy as a whole, and therefore its rapid innovation development will lead to the rapid development of the state as a whole.

At present is urgent the formation of strategy advanced innovation development of industrial enterprises, which is impossible without the creation of mechanism for the formation, implementation, and management of advance development of industrial enterprises.

To create the appropriate mechanism it is necessary to formulate tasks whose solution will lead to the desired result:

- To determine, taking into account current market conditions, the prospects for the formation, implementation, and realization of strategy advanced innovation development precisely at industrial enterprises;
- To develop criteria for the assessment and selection of directions scientific-technological development for industrial enterprises;
- To develop a theoretical-methodological basis for determining the prospects of strategic development of industrial enterprises on the basis of innovative transformations;
- To develop principles and means of management not only of the system of advance development of the industrial enterprise, but also of their subsystems.

All the above-mentioned will provide the opportunity, in the future, in the presence of appropriate internal and external conditions, to introduce on the domestic industrial enterprises a strategy advanced innovation development. Is it possible for such implemented at the level of an individual economic entity, without taking into account the impact and needs of the state level? It is possible, but the process is complicated, because for many innovative transformations a normative base is in conformity of normative base with the international standards.

The society is at the stage of transition from the fifth to the sixth level of technology, while the Ukrainian industry corresponds to the fourth level of technological structure. Consequently, the way of advanced innovation development will allow Ukrainian industrial enterprises to quickly improve their competitiveness, switching from the fourth technological process to the sixth.

But is ideally, in order to achieve this goal it is important to stays accumulate intellectual capital, which would allow all these changes to be realized. Therefore, it is important to collect and accumulate relevant knowledge that would allow not only to take relevant experience in more technologically advanced countries but also to obtain information about market needs in innovative attractiveness products.

Worldwide industrial giants for many years in their innovative quest have been relying on innovation development strategy rather than on one of the strategies of reproduction, as it has been implemented at industrial enterprises in Ukraine.

This is confirmed by statistical data, in which it is indicated, that the country has a rather small niche on the market of high-tech science-intensive products. The share of Ukraine in this market does not exceed

0.1%. At the same time, the share of enterprises in the country in which non-technological innovations are implemented varies from 38% to 31% over the last five years. When the share of enterprises with technological innovations ranges from 62 to 76% over the same period.

While Ukraine focuses on the introduction of technological innovation, the developing of advanced products and technological processes, Europe directs the vector of innovation development to the developing of organizational, marketing and motivational innovations.

Based on statistical data, it should be noted that at the industrial enterprises of the European Union (EU-2018) in 2013-2018 actively implemented the innovation process, which on average occupied a certain period of 22.4%. Organizational innovations for the same period amounted to 22.9% [12].

Consequently, we can conclude that having reached the corresponding technological level that corresponds to the level of the sixth technological structure, developed European industrial enterprises have changed the direction of innovation development in the direction of organizational and process innovations. Then, as domestic enterprises try to optimize these directions activities and make them sources of savings for their own funds.

Marketing innovations also occupy a large amount of general innovation processes at industrial enterprises in Europe. In this case, there is no specific value of the amount of production of the enterprise, the size of its authorized capital and ownership. The tendency to pay particular attention to non-technological innovations has been preserved over the years in Europe and Asia. It should be noted that the development of technological innovations is inextricably linked with the development of non-technological innovations within the same enterprise.

Domestic enterprises should pay more attention to non-technological innovations, as they will give an appropriate impetus to positive changes in the technological processes of industrial enterprises of the country. Thus, marketing innovations can push to advanced innovative development of those enterprises that have sufficiently developed, updated production technologies.

Organizational innovations can push to advanced innovative development of those industrial enterprises that have sufficiently accumulated financial and other assets. It is worth noting that the combination of the corresponding types of innovations at industrial enterprises is impossible without the introduction of an appropriate

strategic policy.

Consequently, in our time, advance economic development is based on innovation processes that arise at the state, regional, local level, implemented at enterprises of all forms of ownership.

However, the industry of Ukraine, as well as many other European countries in its development, is based on the strategy of passive innovation development. Innovative motivation labor for many enterprises in general is unattainable, since they operate in the mode of "total saving of funds", and the first of the items available for saving is saving on wages.

Lack of information, skilled personnel, financial and other resources complicate the introduction in Ukraine of advanced economic development of industrial enterprises. On the one hand, the domestic industry is trying to bring the technological state of its production capacity to the corresponding world requirements. In order for the manufactured products to meet the relevant world standards and standards. Thus, organizational, technological innovations are still being implemented.

But developing exclusively the technological component of production and not paying due attention to the social component is virtually impossible if the enterprise plans to implementation innovation in its activities, and especially if it plans to opt for a strategy of advanced innovation development. That is, to take into account the subjective factors of influence on the situation and neglect of the objective – it is not possible.

Advanced innovation development of industrial enterprises is impossible without the developing of active strategies of advance, overcoming obstacles. They are purely subjective, and may vary from enterprise to enterprise. However, they must rely on objective data and calculations of activity the enterprise, the effectiveness of the implementation of relevant innovation processes.

It should be noted that it is the objective-subjective approach to the developing, analysis, implementation and control of the stages of formation of a advanced innovative development of industrial enterprises, would allow to combine technological and non-technological innovation processes. Allow the use of information from external and internal sources more fully volume, in order to create strategies for further development.

However, if the situation does not change dramatically and the domestic industry will not, with the support of the state, on the way of

innovation development, the market niche of industrial enterprises of the country will significantly decrease. Therefore, the introduction of advanced innovative development can dramatically change the situation that has developed over the next few years.

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CONCEPT OF WORKABLE COMPETITION BASED ON SYSTEM APPROACH AND FIRM PERFOMANCE

Economists have been investigated the linkage of performance and competition for more than a century. Contemporary theories and concepts in the firm's economy actualise the need of increasing the firm performance taking into account the features of current competition. This area needs analysis because of the limited economic resources and the desire of economic entities to get the greatest effect at the lowest cost. Regarding competition, it sets the criteria for performing the company on the market and serves as a source of getting an economic effect along with production and management activities.

In our study, we first analyse approaches to determining the categories of "performance" and "competition", and then try to find the conceptual relationship between them.

To determine the nature of the category "firm performance", it is necessary to clarify what does the economic category 'performance' contain and the requirements that apply to its criteria and indicators.

The need to show the results of how the productive forces function in a particular system of industrial relations arose as soon as the production developed. So, the term 'efficiency' first appeared in economic research.

Within the framework of praxeology (that is, the theory of the effective activity organisation [1]) the term "efficiency" at the end of XIX century lost its economic content and assessed various types of human activity. The concept of "efficiency" reflects the relationship between the different characteristics of human activity: the result and costs (economics, which in content is close to the concept of economic efficiency), the result and goals (target efficiency), the result and needs (necessary efficiency), result and values (cost-effectiveness).

In contemporary literature [2-4, 6], authors use the terms “productivity”, “efficiency”, “efficiency”, and “performance” to define the efficiency of management.

Hence, productivity is a complex category that combines efficiency and effectiveness. To overcome the problem of the multiplicity of results and resources in determining productivity, according to the study, the total productive factors of production (total factor productivity), multifactor productivity (productivity), the partial performance of factors of production (partial factor productivity).

S. Tangen [2, 3] analysed all the variety of efficiency definitions given in the works of Western scholars and identified the following ideas of effectiveness: 1) technological concept: the relation between volume of output and indices of cost of resources; 2) technical (engineering) concept: the ratio between the actual results got and possible outcomes; 3) economic concept: the optimal allocation of resources.

In addition, scientists relate the greatest differences in the category's content of effectiveness to the state of the economic system (equilibrium, uneven, important, and transformational). For a long time, they studied the category of efficiency in the framework of representations of equilibrium systems under the concept of the general economic equilibrium of L. Walras and V. Pareto on the identity of the conditions for the general equilibrium and maximum efficiency in economics.

The content of the category “efficiency” was reduced to the concept of equilibrium, and the problem of improving the efficiency of management, - to find conditions for the system to achieve a state of general equilibrium. Later, J. Von Neumann, K. Arrow, J. Debre developed the ideas of L. Walras and V. Pareto in their works, devoted to the problems of the actual equilibrium, and the relationship of the general equilibrium with employment, unemployment, monetary turnover, economic growth, efficiency, etc. They investigated not a real economic system, but its ideal model with different, rather strict restrictions and assumptions (such as the assignment of utility functions, the instantaneous change in prices, features of an imperfect competitor here.). But later, the notion of general equilibrium and maximum efficiency is more of a scientific abstraction than of actual characteristics of real economic states. The hypotheses about the unity of the market mechanism, which leads to general equilibrium, and complete rationality, have also not been proved since they are based on

the theory of rational behaviour of the individual which contradicts many facts, generalised by the behavioural economy.

In a market economy, the clarification of the content of efficiency is relevant because of the need to select criteria and indicators of efficiency, and, so, the ways to increase it at all levels of the economy.

In Ukrainian economic science, the concept of “efficiency” in its development has gone through several stages: from production efficiency to management efficiency. And this is because of the absence of market relations and in the conditions of the dominance of state ownership of means of production, the activity of enterprises was limited only to production, while economic decisions took place at the state level in the form of centralised planning. As the twenty-first century has started, the development of entrepreneurship contributed to the emergence of the concept of company effectiveness. As we see, the differences in the periods of the formation of market relations contributed to the fact that the question of the efficiency of the operation of the enterprise began to be considered by domestic scientists later compared with their counterparts from foreign countries, who have accumulated a solid experience of the firms functioning in a market economy.

In determining the essence of the category “efficiency of the firm operation” as a specific manifestation of efficiency should take into account the type of economic system in which the company operates, the target direction of production, the factors and production results, inherent in the enterprise as a hierarchical system, and the structure of social needs, degree of their satisfaction by the enterprise, the usefulness level of the manufactured product, etc.

The literature review [8-11] has made it possible to distinguish between such terms, which are used to denote the firm efficiency in economic research, and in research on the theory of organisation.

The research within the organisation's theory envisages such approaches: 1) economic (defines efficiency as a correlation between the costs and the results formulated by the representatives of the neoclassical school of political economy at the end of the XIX century, according to which the goal of the firm is receiving and maximising their profit; 2) sociological, according to which a commercial organisation is a collective social subject being engaged in socially oriented activities.

Modern views on the firm efficiency in the organisation theory's context in the Western economic sciences relate to P. Drucker's work

[12], which separates the actual economic concept of efficiency through the ratio of resource costs and the results got from their use (effectiveness), from the socio-economic category, which reflects the impact of the methods of organisation of work at enterprises on the level of their achievements (actual effectiveness).

K. Cameron [9] concluded that the problem of the firm efficiency is more applied to the subject than to the theory, since the key point in determining the effectiveness is to compare a specific model of efficiency with the situation at the firm at each moment of time Thus, the content of the category "firm efficiency" depends on the context of its consideration.

In addition, within the framework of concepts that consider the impact of macro-deposits on the functioning and development of an organisation (for example, neo-institutional theory), the concept of "efficiency" differentiates depending on the level of analysis, for example, technical efficiency is the efficiency of the micro-level, then how the effectiveness of the enterprise at the macro level depends on whether significant institutional goals are achieved during its operation.

The approaches to the definition of firm efficiency are not limited to economic parameters reflecting the profitability of production through the correlation of the volume of output and the corresponding costs or performance, but also includes a variety of characteristics of the relationship for example, fulfilment of obligations, adaptability, interaction with competitors, presence of external negative and positive influences, etc. Thus, clarification of the content of the category "firm efficiency" is still on-going.

In the proposed discussion, it should be noted that at the time of the development of a market economy in the post-industrial countries, the global target function of production changes, which characterises not the quantity of manufactured specimens, but the number of different "essences", that is, qualitatively different economic benefits. The indicators of factors involved in the production are not quantitative but qualitative characteristics of resources (*i.e.*, the availability of certain, qualitatively unique elements of resource benefits). Thus, one of the most important resources is information that relates to the technology or organisation of production and appears as the result of intellectual labour. Considering the rethinking of the role of the firm in society, in particular the awareness of its institutional role as the subject of concentration and restoration of resources, the formation of future needs and trends, it becomes necessary to consider, besides technical and

economic, also institutionally The general effectiveness of the firm as realisation of its institutional role in the community.

With the neoclassical economic theory, the analytical basis of the pre-study of market processes is the paradigm of “structure-behaviour-result”. In theory, it allows us to assess how structural factors (such as rising demand, input barriers in the industry) affect the behaviour of market participants (for example, pricing) and their economic performance, and the efficiency of the industry.

The relationship between structure, behaviour, and outcome is not unidirectional. With this approach, companies can assess the impact of their activities on structural factors in the industry, and ultimately, on the results of their own work.

Features of the market structure are an important factor in terms of the possibilities of competitive mechanisms functioning in the relevant commodity market. However, they do not exhaust such a complex and multi-faceted phenomenon as economic competition. In particular, they do not take into account the peculiarities of the behaviour of market participants, which, even in its competitive structure, can lead to restrictions of competition as a dynamic process of competition. Market-friendly competition is a necessary but insufficient condition for effective competition.

The economic mainstream under the neoclassical approach mixes the concepts of the market and competition, because of which the market appears to be complementary to the understanding of competition [14]. As stated [13], this creates confusion between economic efficiency as a result of the market and competition as business behaviour.

The market as a special economy pattern has a strong set of characteristics, as follows: a market is a special form of exchange; goods for sale are being exchanged regularly; market transactions are mutually advantageous and made on a reciprocal basis; market agents are striving for equivalent exchange; market exchange is voluntary; - there is a rivalry on the market as for that kind of exchange.

However, competition is a criterion of a market as a specific economic form. In other words market is a broader concept than a competition.

The author [15] proves that competition as a systemic multilevel phenomenon manifests itself at the macro, meso, micro, and nano scale levels. At the macro level (the economy), competition appears as the principle of functioning of a market economy, on the meso level (a separate branch) - as a mechanism of interaction of market economy

agents, at the micro-level (grocery market) - as a way to achieve economic goals, at the nano scale - as a way of gaining competitive advantages. Each level of this system is a form of competition existence, a certain subsystem which provides one of the functional designations of competition.

One can assess the competition effectiveness only in relation to each of its subsystems. Between the subsystems of competition, there is subordination. Their efficiencies subordinate as well. An efficiently operating macro subsystem produces favourable conditions for the efficient operation of the meso- and micro subsystem, and its ineffectiveness will cause the ineffectiveness of subsystems in its subordination.

Consequently, according to approaches for interpreting competition such as behavioral, functional, structural competition can function: as the degree of competition in the market; as a self-regulating element of a market mechanism; as a criterion for determining the type of market structure. The classical interpretation of the category "competition" interpreting by structural approach is that the focus is not a rivalry of business entities, but the establishment of the fact of the fundamental possibility (or impossibility) of the influence of an individual business entity on the overall level of prices in the market. Since it is competition that shapes and influences the market structures of the market, it is necessary to give it a separate place in our study.

The term "internal structure of the market" was proposed in 1906 by V.Voyitinsky, which corresponds to the English term "market structures", the German "market Formen" (market forms), the French "types de marche" (market types); Also often used is "market morphology" or simply "economic morphology", and in English and French it is called taxonomy, or classification, markets. The author of the dissertation in the study of imperfect competition used such terms as a market model, structure, form due to their different content and the inability to use as equivalent concepts. For the first time, the theory of the market structure was formulated by H. Stackelberg [1], where the main classifications were the number of sellers and the number of buyers, on the basis of which formed oligopoly, oligopsony, etc. The number of buyers and sellers contained three categories: many, several, one. The next retrospective was the classification by Edward Hastings Chamberlin [16] and Joe Staten Bain [17], which also determined the type of structure of the market in the presence of perfect, monopolistic competition, oligopoly (homogeneous and heterogeneous);

Complementary classification features were also: interchangeability of goods, interconnectedness of enterprises and conditions of entry into the market (industry). Currently, the typology of markets is generally accepted, similar to that proposed by Walter Eucken [18], where, as a criterion for classification, there are no signs of a competitive structure in terms of supply and demand, and the factors that underlie it, in particular, the number of sellers and of buyers.

Filyuk G. [19] noted that the market structure is an internal market organization characterized by a plurality of factors of quantity (the number of firms operating on the market, as well as the ratio of their market shares) and qualitative (the degree of product differentiation, the nature of the input and output bar the nature, and the specificity of the hierarchical, network and horizontal links between economic entities that affect the type of socio-economic relations between them. Thus, the concept of "type of market structure" can be defined as a generalizing theoretical model (construction) of markets, characterized by the necessary set of essential features for their grouping. That is why this notion is more likely the result of a typological description (typology) of the market. From here, we can propose the following definition of types of market structures: a set of market structures that share the common features that manifest themselves in the unity of patterns and trends in their functioning and development on the basis of similar interactions and interdependencies between economic entities.

The author's definition according to the structural approach is the following competition - this is the degree of dynamics of changes in market structures and the internal structure of the market (thus determining the competitive state - based on the static approach). It is during the change in the redistribution of market shares and the construction of the internal structure of the market competitive conditions are formed (these conditions include the conditions for typing the market structures of imperfect competition formed by Joseph Stigler [20]) the functioning of enterprises in the market.

Considering the competition from the behavioral approach, we consider it necessary to carry out an etymological analysis and to differentiate derivatives and identifiable words from the English language. It can be argued that the analysis of this concept is rather complex and ambiguous, especially in the treatment of post-Soviet and Soviet scholars. The etymology of the concept of "competition" allows us to establish that this term derives from the Latin "conarrenta", which means "collision", "competition", "rivalry". However, experts, for

example, who study the issues of economic competition theory, suggest differentiating the terms "competition" and "rivalry", thus denying their synonymy. The different content of these concepts is a feature of not only Ukrainian and Russian languages. Considering the meaning of the term "competition" in the main European languages, the following conceptual equations can be established: competition-rivalry (Russian), competition-rivalry (English), concurrence-rivalite (French). Studies show that the terms "competition", "konkurrenz", "concurrence" originate from one word "concurro", which means "coincide", "collide" (con - together, curro - run). The English word "competition" comes from the Latin "competitionem" (com / con petition - the desire to achieve anything). The English word "rivalry" and the French "rivalite" come from the Latin "rivalita", which means rivalry. The German word "wettebewerb" comes from a verb, which means a competition, to achieve something. It is necessary to draw attention to the fact that in the German economic terminology the term wettebewerb is used, despite the fact that in German there is a word with the same etymology of the same content of the concept as the English word "rivalry", the French term "rivalite ", Namely rivalitat.

Jean Tirole emphasized [21] the need to focus on the study of the functioning of markets in terms of the diversity of their various structures; Accordingly, the economy of the sectoral markets has as its main task the study of the functioning of markets, the interaction of markets and enterprises, as well as explores the economic policy of the state associated with the management of markets and market structures. Thus, the economy of the markets structures can be regarded as a branch of economic science devoted to the study of markets that can not be analyzed using standard models of perfect competition. The field of studying the modern theory of the organization of industrial markets covers three groups of questions: the theory of the firm itself (size, scale and scope of activities, organization and behavior), imperfect competition (under the conditions of market power acquisition, the forms of its manifestation, factors of its preservation and loss, price and non-price rivalry, etc.), the policy of a society about business (that is, what should be the optimal business policy - antitrust, market regulation policy, deregulation, liberalization of the conditions of entry into the industry, privatization, stimulation I technological and product innovation, competitiveness).

By examining and analyzing the notion of competition and the conditions of behavior of enterprises in the market, the primary results

of the analysis are microeconomic short-term equilibria in the market firms in the conditions of perfect competition and imperfect competition: monopolies, oligopolies, monopolistic competition. The role of margin analysis and short-term equilibrium of the firm in different forms of competition is inseparable and significant for economic theory and history of economic thought. If we proceed from the definition that competition is only the competition of enterprises in the market and the antagonistic struggle for existence on the market. This definition defines competition based on a static approach. Then indicators of competition are only indicators of concentration, for the study of competition and the market enough microeconomic analysis and the theoretical achievement of mainstream, but this concept of the theory is not presented by modern representative markets. Defining competition for a static approach reduces the concept of competition and does not reflect the essence of the concept. After all, the structure of the market is formed not only by market shares of enterprises and the main driving forces of the market, but also the behavior of firms in the market and their interconnections. In the theory of competition, there has still been no change in the overall comprehensive concept. We, as a rule, do not level off the significance of Ukrainian, Russian and foreign scholars who made a significant contribution. But the works of these scholars have a fragmentary character and unfortunately do not compete with the mainstream.

Consequently, from the point of view of the behavioral approach, competition is a process of formation of a market that, in its development, takes place in stages. The concept of competition theory should illustrate interconnections, the influence of competitors on each other and market behavior on the market (competitive process - the research is based on a dynamic approach). Since competition is at the junction of several sciences, we consider it necessary to consider competition in the study of competition in terms of psychology, sociology, and ecology (biology). At the moment, it becomes increasingly relevant to modeling economic phenomena as socio-ecological. Let's make an amendment to the fact that in the modern sense of the first approach, competition should be considered not only as a process of competition in the market, but also in the process of interaction, therefore, it will be more accurately reflected as a process of interaction. We emphasize that, in our opinion, competition is one of the forms of market interaction. Accordingly, we believe that the viewpoint of scientists about the identification of competition with market relations

and market interactions is incorrect. Interaction is the process of functioning of enterprises in the market, expressed in their behavior and stages of development of competitive interaction. Accordingly, competitive interaction is the coexistence of enterprises and the impact on each other in a competitive environment presented on a specific market. This term more broadly reveals the concept of competition, which can be expressed through a series of variations: struggle, neutrality, cooperation, etc. The use of the term "competition" in the traditional context means focusing only on the antagonistic struggle, which is at least an incomplete version.

From the author's behavioral concept: interaction - comparing the competitive capabilities of enterprises, which in the future will produce the maximum result; counteraction - use of all resources of competition for the purpose of losses of a competitor, comparison of efforts of competitors. Competitive interaction of market participants often involves a combination of the impact on and opponents of rivals, as well as the impact on some rivals and counteraction to other rivals. The nature of the competitive interaction of business entities reflects the degree of acuteness of the conflict of interest between them at the strategic level. Competition in its development in terms of behavioral approach as a competitive process can take the form of three classes: antagonistic struggle (competition); neutrality or stage of inactivity; competition we believe that the exact state of competition corresponds to the stage of market development. The authors believe that the presence of competition in the market leads to the development of the market, but depending on the stage of interaction between actors in the market.

According to Filyuk G.M. [22], markets with effective competition according to the given criteria include markets with perfect competition, ineffective markets of monopolistic competition, oligopolies and monopolies. Although the economic literature and the previous paragraphs mentioned that it is oligopolistic markets that are considered to be effective, since they have the best investment and develop NTPs. In our opinion, this criterion are criteria for assigning to one or another type of market structures and does not take into account the most important principle of the effectiveness of the market structure. It is a principle of cooperation, achievement of results not only of the firm, but also improvement of market results, improvement of conditions for consumers, improvement of not only economic status, but also ecological.

The criteria for the effectiveness of a structural approach to competition are quantitative criteria for assessing a market structure: the number of competitors, the dynamics of market share, information evaluation, criteria of price and non-price competition, etc. Criteria for the behavioral approach are qualitative and quantitative criteria for forming a functional competitive behavior of the firm on the market, which in the future will lead to market functionality. We also note that such traditional methods for assessing the state of competition as concentration indices and their derivatives (based on assumptions about the number of competitors as a sign of competition) can not serve to directly assess the state of competition. In any case, if their application is possible, then only indirectly and with a number of reservations, when calculating deviations (differentials) from the "reference" state of the free competition market, even then in the initial phase of its formation. Thus, the fundamental position in determining the state of competition is the attitude of competitors to the needs of consumers, and not their total number in the market. If the structural approach takes into account the criteria for assigning one or another structure in the morphological market, then in the behavioral factors that influence the competitive behavior are taken into account. But at the same time, these two approaches do not take into account the complexity of the phenomenon of competition.

The effectiveness of competition in the system approach affects the identified interconnections:

Market dynamics → Competitive environment → Competitive behavior

In the system approach, competition is seen as a system that represents the unity of three components: the principle of market economy, the mechanism of interaction and the way to achieve the economic goals of competitors. Each component realizes itself as a separate subsystem with its inherent features of structure, functions and forms of existence, reflecting the process of development of the subsystem.

The criteria for determining the nature of market competition are based on studies of the interdependence between the market structure, the behavior of firms in the market and the functioning of the market. Thus, effective competition can be described on the basis of the following acceptable standards. The market structure, for example, is characterized by a significant number of competing producers, the absence of artificial barriers to entry into the industry, as well as

moderate and price-sensitive product quality differences. The behavior of firms in the market is characterized by intense competition and the lack of aspirations for collusion with the aim of establishing fixed prices, market segments, etc., by refusing tactics of rejection and coercion, which is aimed at causing damage to the competitor, the ability to respond quickly to differentiated consumer demand. The functioning of the market is characterized by the desire to minimize production costs, prices, corresponding to production costs, including "fair" profits depending on efficiency, risk, investments and innovations, rejection of excessive costs for sales promotion and the introduction of new technologies and new products. The criteria that characterize effective competition allow government agencies to develop and implement their competitive policies.

It is necessary to emphasize the logical dynamics of competition again as a universal phenomenon. Hence, any differences in competition lead to changes in the market situation in the broadest aspect of the latter: the formation of value added, profitability, social consequences of the functioning of the market and many others, that is, in accordance with the aforementioned set of criteria and indicators. In any case, it is positive or negative changes both for the market itself (its subjects), and for society, its ecological, cultural component, etc. In turn, it should be noted that the mentioned effects reflect and are fully described by the category of "functionality of competition" in the market, what should be understood as the degree of compliance with the competition (competitive environment) of the assigned functions. And in this aspect, pure, free, perfect competition becomes a benchmark for the implementation of such functions in the sense of what society expects from competition. In this way, expectations, societal demands define the "upper", the ideal stratum of what can compete in terms of achieving a possible positive effect. From these positions, perfect competition, always having, obviously, a specific socio-economic dimension (that is, this can be reflected in the aggregate of the corresponding indicators by the agreed criteria, as well as real, imperfect competition), is justified in the use of any margin analysis of the market . At the same time, the more appropriate content is the term "perfect competition", which eliminates the linguistic contradiction in the sense of the term "perfect competition". Deviation from such parameters (in general, as an objective phenomenon in any economic system) and is the basis for measuring the degree of functionality of competition. At the same time, competition leading to negative effects can be characterized as

dysfunctional, that is, one that does not perform the specified functions, or their performance is unacceptable to the society. We also emphasize that the assessment of real competition has an integrative, controversial content in view of the different assessments of the same situation on the market by different groups of recipients of such. The question of the correctness of such an assessment in itself requires a special scientific substantiation, which, apparently, can solve the problems of modern regulatory policies.

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LOGISTICS INFRASTRUCTURE OF THE FOOD MARKET

The food market of Ukraine is an important system-forming element of the national economy development. It provides exchange processes between producers and consumers of food resources, promotes economic employment, fills the budget of the country, forms food security. The functioning of the food market is impossible without the development of its infrastructure. The infrastructure of the food market as an institutional system is a set of interrelated and interacting institutions and institutes that ensure the interaction of supply and demand, promote the implementation of market goods exchange between the subjects of the food market and form a market pricing mechanism for agrofood products.

The system approach characterizes the market infrastructure as a set of institutes and institutions that ensure the effective functioning of the highest level institutes– the food market. Functional approach also considers the infrastructure in terms of functions. In defining the concept of market infrastructure, it is impossible to consider a systematic approach without a functional approach, since infrastructure is an institutional system that plays a significant role in the development

of the food market and, accordingly, performs important functions. The infrastructure of the food market contains the components of the subsystem, which ensure the performance of its functions (Figure 3.2). The infrastructure system will include organizational (commercial intermediaries, wholesale and retail trade enterprises), financial and credit (banks and other financial intermediaries), industrial and technical (granaries, elevators, associations of producers), state law (state bodies of control and regulation of agricultural production), educational and consulting (educational and consulting subjects), logistics subsystem.

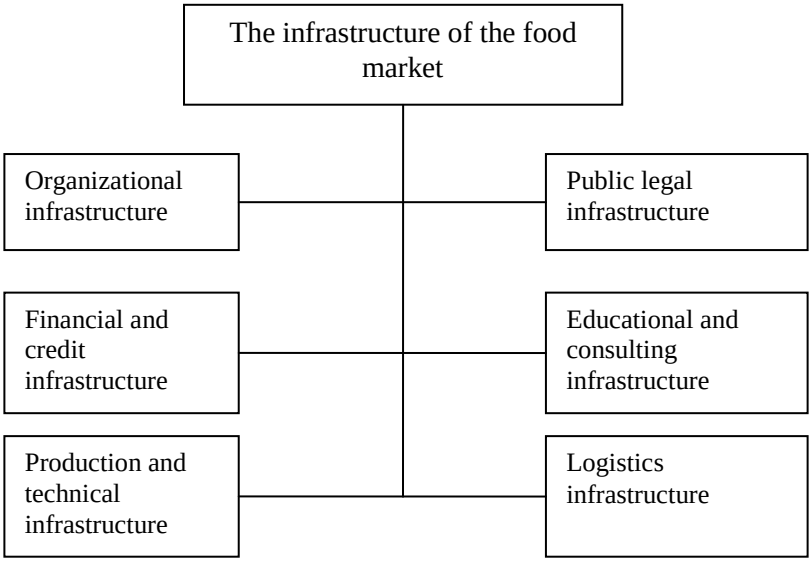

Figure 3.2 Subsystems of the food market infrastructure

Logistics infrastructure in production systems performs the following functions [1]:

- storage of products in warehouses;
- movement of products with the help of special vehicles and manipulations;
- packaging system of raw materials and finished products;
- information and analytical support of logistics flows.

E. S. Palyjchuk and O. V. Bulecadefines two main functions of the infrastructure – providing and regulating. The first will be to ensure the continuous functioning of economic relations of the market economy subjects and the movement of commodity-cash flows. The authors found

that providing a function has characteristics – for which market segment it is internal and is passive. In explaining the importance of this function, it should be noted that it does reflect the fact that the logistics infrastructure is within the logistics system or supply chain. It is the "wheels" of the logistics activities (logistics operations, processes) of each link in the system or supply chain. The logistics infrastructure is located only within the logistics area that is planned to be serviced. Thus, in the future, the formation of logistics infrastructure should use an immanent approach, which is aimed at identifying its internal structure.

The second function is regulatory. It is without a doubt an addition and continuation of the providing function, as it in a certain way streamlines and regulates the interaction of the links of the logistics system or supply chain. In contrast to the first function, this function is external and active, since the regulation of logistics activities within the supply chain will be carried out directly through infrastructure facilities. And the better they will be provided with the means of spatial and temporal transformation and movement of logistics flows, the regulation of the functioning of any logistics entity will be stable and effective [2].

The subject of our research is to determine the role of the logistics component of the infrastructure of the food market because it is designed to ensure the physical movement and storage of food products and raw materials.

Logistics is understood as a network of services that support the physical movement of goods, trade across borders, and commerce within borders. It compares an array of activities beyond transportation, including warehousing, brokerage, express delivery, terminal operations, and related data and information management.

The global turnover generated by these networks exceeds US$4.3 trillion, so a better understanding of their operation is no trivial issue. For individual countries, logistics performance is key to economic growth and competitiveness. Indifferent logistics raises the cost of doing business and reduces the potential for both international and domestic integration. The toll can be particularly heavy for developing countries trying to compete in the global marketplace. [3].

The role of logistics in the global economy is better recognized today than it was 10 years ago. Good logistics services reduce the cost of trade. Logistics performance is about how efficiently supply chains connect firms to domestic and international opportunities.

Logistics is business to business (B2B): its activities are executed primarily by private companies for private companies.

The market of transport and logistics services is an important component of the Russian economy. It is logistics that is responsible for the optimal delivery of products from the producer to the consumer, and without the functioning of logistics structures, any activity becomes practically impossible [4].

The evaluate the development of the country's logistics infrastructure, its main strengths and weaknesses we can use logistics performance (LPI), conducted by experts of the world Bank. Among 160 countries in the world in 2018 according to the level of infrastructure development Ukraine was only 66th.

The logistics performance (LPI) is the weighted average of the country scores on the six key dimensions [5]:

1) Efficiency of the clearance process (II. speed, simplicity and predictability of formalities, saw digital release) by border control agencies, including customs;

2) Quality of trade and transport related infrastructure (e.g., ports, Railways, roads, information technology);

3) Ease of arranging competitively priced ships;

4) competition and quality of logistics services (e.g., transport operators, customs brokers);

5) Ability to track and trace consignments;

6) Timeliness of shipments in reaching destination within the scheduled or expected delivery time.

According to the assessment of the level of infrastructure development carried out by the World Bank, Ukraine in 2018 slightly improved its position compared to the previous year (Table 3.2).

Table 3.2

Ukraine on the LPI subindexes

Year	The LPI Score	Score subindicators					
		Customs	Infrastructure	International ships	Logistics competition	Tracking & tracing	Timeliness
2010	2.57	2.02	2.44	2.79	2.59	2.49	3.06
2012	2.85	2.41	2.69	2.72	2.85	3.15	3.31
2014	2.98	2.69	2.65	2.95	2.84	3.20	3.51
2016	2.74	2.30	2.49	2.59	2.55	2.96	3.51
2018	2.83	2.49	2.22	2.83	2.84	3.11	3.42

Source: built according to the World Bank information [3]

Among the subindexes that are evaluated to determine the level of infrastructure development, the lowest score was given to the infrastructure subindex - 2.22 out of 5 possible. The highest rating (3.42

out of 5) by the World Bank experts was given by the subindex "Timeliness of delivery".

Thus, the logistics infrastructure of the country requires significant improvement in the main key areas: customs services, infrastructure, transport links, the level of customer service, timely deliveries.

The transportation logistics infrastructure in Ukraine is well developed and organized, covering the four main shipment options – air, sea, surface and rail. Since 2014 year surface and railway transport can access most of the areas of the country with intermediate connections to the isolated cities in the Eastern regions due to the security constraints as a result of Russian aggression.

The food market is considered by the authors as a set of subsystems of supply and demand and the interconnecting element of the market infrastructure. The demand subsystem is formed by the subjects-consumers of agrifood products - both retail buyers purchasing goods for personal non-commercial consumption and wholesale ones using the purchased products for further processing or commercial resale. The subsystem of supply is represented by producers of agricultural and food products, wholesale intermediaries-importers. The activities of agri-food market entities are influenced by market forces such as competition, market conditions, the laws of supply and demand, government regulation.

The state of the food market development is evidenced by the dynamics of wholesale trade of food products (Table 3.3).

Thus, the wholesale trade turnover of food products in 2018 amounted to 356.1 billion UAH, which is 161.4 billion UAH more than in 2014. The share of food products in the wholesale commodity circulation in the reporting year was 16.1% and is decreasing in dynamics due to the growth of trade in non-food products. In the wholesale food market, 77.2% of all goods were produced on the territory of Ukraine, which indicates a high level of self-sufficiency in basic food resources. Accordingly, 21.3% of food products consumed in the domestic food market in 2018 were imported.

In addition to the analysis of wholesale trade of food products to determine the trends and state of development of the food market, it is necessary to consider the volume and dynamics of retail trade in food products.

According to the State statistics service of Ukraine, in 2018 the volume of domestic retail trade in comparable prices increased by 6.1% and amounted to 928.6 billion UAH, or about 22 thousand UAH per Ukrainian.

Table 3.3

Structure of wholesale trade turnover of wholesale trade enterprises, 2014-2018

Indicator	2014	2015	2016	2017	2018	Deviation, +/-
Wholesale commodity circulation, billion UAH	988.0	1244, 2	1556.0	1908.7	2215.4	1227.4
food items	194.7	224.3	252.8	314.0	356.1	161.4
non-foods	793.3	1020.0	1303.2	1594.6	1859.3	1066.0
The proportion in wholesale trade, %	100.0	100.0	100.0	100.0	100.0	0.0
food items	19.7	18.0	16.2	16.5	16.1	-3.6
non-foods	80.3	82.0	83.8	83.5	83.9	3.6
Share of sales of goods produced on the territory of Ukraine, %	48.5	46.9	44.5	43.7	42.0	-6.5
food items	71.4	75.2	76.4	76.8	77.2	5.8
non-foods	42.9	40.7	38.3	37.2	35.3	-7.6

Note: data are given without taking into account the temporarily occupied territory of the Autonomous Republic of Crimea, Sevastopol and parts of temporarily occupied territories in Donetsk and Luhansk regions.

Source: built according to the State statistics service of Ukraine

In the domestic retail market, the share of food products in 2018 was 43.3%. In addition, in 2018, the retail market sold food products worth more than 289.7 billion UAH (Figure 3.3).

The dynamics of food products retail trade development shows a steady growth, as evidenced by the growth rate (to the previous year) in 2018– 24,2%, 2017 – 2,3%, 2016 – 13,8%. The demonstrated growth of retail commodity circulation is due to both the actual growth of food consumption of the population and the inflationary processes of the national economy.

An important factor determining the demand in the food market is the size of exports. Ukraine is a leading exporter of such types of food as grain, vegetable oil, chicken, eggs, nuts. In 2018, the export of agricultural products brought the Ukrainian economy $ 18 billion budget revenues or a third of the total export revenue of $ 42 billion. Grain was exported to 7.2 billion dollars, its share in agricultural exports was 39%.

In recent years, Ukrainian sunflower oil producers have managed to export to more than 120 countries and reach the 1st place in the world. Among the exporters-the leaders of the company "Kernel-trade", "Cargill", "Santrade", Mironovsky plant for the production of cereals and animal feed (part of the MHP group), "Delta Vilmar CIS".

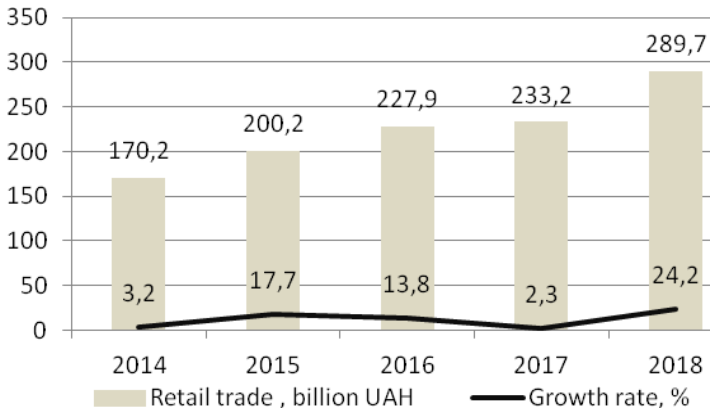

Figure 3.3 Dynamics and growth rate of commodity circulation of food products in Ukraine

Source: built according to the State statistics service of Ukraine

Most Ukrainian oil is consumed in the EU, India and China.

At the same time, chicken producers have made a breakthrough to world markets, Ukrainian meat is sold on almost all continents — from the Netherlands to Hong Kong. The largest suppliers of chicken meat to external markets is the market leader in the agro-industrial holding MHP (supplying 88% of all chicken exports), as well as the company "Dnipro poultry farm", APG "Pan Kurchak" and Corporation "Agro-oven" [6].

Therefore, in the context of growing wholesale and retail trade in food, it is the logistics infrastructure that is important.

Elements of the logistics infrastructure of the food market are all types of enterprises and organizations that provide services for the transportation and storage of goods. Thus, the authors of the study include ports, economic entities engaged in road, rail, water transportation, warehouses, refrigerators, elevators and other enterprises to the subjects of logistics infrastructure. Elements of the logistics infrastructure of the food market provide storage, drying, transportation of agricultural products and food, provide forwarding and other logistics services.

In Ukraine, there are 1,100 granaries capable of receiving 40 million tons of grain cargo per season. Those of them that have railway access roads can ship 715 thousand tons of grain by rail per day. According to

the State statistics service, as of the beginning of 2019, the capacity of one-time storage of grain, leguminous and oilseeds in the country is 78.3 million tons. However, of this volume 45.43 million tons accounted for warehouses located directly in agricultural enterprises, 32.86 million tons - for the storage and processing of grain [7].

In the regions of Ukraine there is some imbalance in the availability of Elevator and storage facilities. Thus, the largest volume of storage capacity is concentrated in Khmelnitsky region - 7.1 million tons, followed by Poltava (6.8 million tons), Kirovograd (6.1 million tons), Vinnitsa (5.1 million tons) and Kiev (5.4 million tons) region. At the same time, the least amount of storage capacity - in Zakarpatska (41.5 thousand tons), Chernivtsi (287.5 thousand tons), Lviv (624.2 thousand tons) regions.

From 1075 railway stations for loading and receiving grain are 528, a total of 19.15 thousand cars can be shipped per day. As of February 2019, the fleet of grain cars in the country totaled 22.3 thousand units, of which 11.5 thousand - owned by Ukrzaliznytsia and 10.8 thousand - private.

The railway is the main, but not the only channel for the delivery of grain and oilseeds to ports. A significant share of transportation of this type of cargo is accounted for by road, gradually increasing transportation by river. In connection with a permanent increase of freight rates of Railways, the shortage of locomotive traction, infrastructure issues and the introduction of the routing of shipments, the share of rail transport in the grain logistics only decreases.

In 2018, the volume of transportation by road of the main grain crops and processed products in Ukraine amounted to 15 million tons. Last year, grain was transported by 15.3% more along the Dnieper river than a year earlier - 3 145.3 thousand tons against 2 663 thousand tons [7].

The total capacity of the port terminals, which transship grain for export, is 3.2 million tons of one-time storage. Most of all capacities are concentrated in Nikolaev - 928 thousand. Tons of disposable storage, also In Odessa-695 thousand Tons, Pivdennyi-786 thousand Tons, Chernomorsk-675 thousand tons The capacity of all port terminals is enough to pass 64 million tons of grain per year, or 182 thousand tons of grain per day. In 2018, the sea ports of Ukraine exceeded 40.3 million tons of grain, which is 3% more than in 2017. The share of this cargo in the total transshipment structure in 2018 amounted to 29.8% [7].

Thus, the study of the logistics infrastructure of the food market allowed to determine further directions of its improvement, which is the

state support for the construction, reconstruction and operation of elements of production and technical infrastructure in order to ensure the availability of their services to all manufacturers, reducing the cost of enterprises for fuel and lubricants, optimization of transport routes, optimization of economic activities and warehousing, motivation of logistics personnel to productive work.

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METHODOLOGY OF HUMAN CAPITAL ANALYSIS AT AN ENTERPRISE

In conditions of social evolution and economic activity the leading world enterprises in the process of evaluating the results of their activities are increasingly moving from financial indicators to a comprehensive system of indicators, which includes both financial and non-financial elements.

Thus, the need to develop a methodology for analyzing human capital is the ability to evaluate not only the substantial contribution of a person to the profit of an enterprise but also the intellectual.

From our standpoint, the human capital consists of three main components, which are the following: a knowledge capital, a capital of health, and a capital of culture. This classification was singled out on the basis of M. Dobija's point of view, which states that, in contrast to the outdated paradigms in narrow scientific thinking, according to which a human being consists of a body plus a mind that is a function of the body; in the reflections on human capital, it is worth considering the general experience or perception of human as a person and to understand ham or her as an element which consists of a triad: body – mind – spirit [7]. Each component of the human capital of an enterprise is formed on the basis of the expenses incurred in its formation (Table 3.4).

We assume that *the capital of knowledge* has three components: knowledge (level of education), skills, and experience. Moreover, they are heterogeneous in the process of their formation and uneven in the aggregate formation of knowledge capital. We consider that knowledge (education level) is the primary and fundamental component, and we suggest proposing the other two components in the form of coefficients that correct the first one.

In order to assess the level of education of a person, we consider it advisable to apply the cost method, based on the fact that G.S. Becker and his followers emphasized the expediency of investments in education and considered them as investments of a person or his/her parents [6]. That is, we propose to determine the level of education as the sum of investments (expenses) for studying.

Table 3.4

Expenses incurred on the formation of human capital components

No.	Components of the human capital	Characteristics	Expenses, which form a cost of the components
1.	*The capital of knowledge*	Level of knowledge (education) acquired by a person in the process of learning, forming skills and gaining experience	Investments (expenses) in education
2.	*The capital of health*	Level of physical development acquired by a person in the process of life	Sick leave and vacation leave expenses
3.	*The capital of culture*	Level of cultural and spiritual development, acquired by a person in the process of life	Expenses incurred in forming a general level of an enterprise's culture

We consider it expedient to determine the value of education, based on its price. However, not always, the student has exactly the level of education for which he paid the money. This difference can be established based on the assessment of his knowledge by the educational institution itself. After all, at the end of each academic period (semester), a higher or secondary educational establishment conducts the control and evaluation of the level of knowledge obtained. Summarizing this corrected sum of knowledge obtained in the process of learning, you can assess the level of acquired education.

The classification of the human capital is individual, that is, shows the process of its formation and adjustment at the expense incurring by the person and under the influence of the time factor. However, it is necessary to determine how this affects the total human capital of an enterprise. Firstly, when a company prepares its future staff, trains the student at its own expense, then the costs incurred in forming the level of education must be included in the corresponding personal card of an employee's human capital. First of all, in order to make managerial decisions, the data expenses, which, according to the law are operational, must be recorded in the corresponding cards.

When an employee obtains an education at his own expense, then under these conditions it is necessary to rely on the hypothesis that an

employee leases to an employer and the wage earned in return is nothing more than a payment for the use of the leased «property». So, in the process of preliminary assessment, we propose to take into account the received educational level. After all, everyone aspires to capitalize on their own education to increase their value in the labor market. And the employer at the stage of selection of candidates for a vacant position tries to assess the level of candidate's knowledge of the industry and its compliance with the requirements. In particular, such a requirement is the experience of work in the corresponding position i.e., possession of the necessary skills. Thus, the capital of knowledge is one of the components of the «human price» in the labor market. Summarizing the newly mentioned, we can conclude that in most cases, an enterprise does not directly influence the process of formation of the corresponding educational level of an employee. However, by incurring the expenses in order to raise the level of skills of an employee, the management of the company thereby increases his level of education. Thus, in carrying out the analysis of human capital, one of the main stages is the analysis of the efficiency of an employee in incurring the expenses to increase his level of knowledge, as well as the assessment of the educational level of a company's staff.

The capital of health. In order to maintain a proper level of health, the person has a lot of expenses, which in one way or another are aimed at improving his/her physical condition. The amount of these costs is difficult to determine since it is impossible to clearly distinguish them from those that are aimed at increasing the capital of a person's health and those that have no relation to it. However, if we look at this type of expenses from the position of an enterprise, it should be emphasized that, in order to analyze the efficiency of the use of intellectual capital of an enterprise (and the human capital in particular), it is necessary to focus on such expenses as sick leave and vacation leave. These expenses can be documented, and the occurrence of them is required by the legislation in force. Therefore, it is possible to analyze their influence on the change in the profitability of the human capital of an enterprise.

The capital of culture. We suggest to form and analyze the impact of changes in the cultural capital of an enterprise based on the analysis of the expenses incurred to improve the overall level of the culture of an enterprise. We offer to include the following for this type of expenses: the expenses incurred in organizing and conducting corporate evenings, celebrations of employees' birthdays, mass recreation, etc. In the process of analyzing the efficiency of the use of human capital at an

enterprise, we suggest to include the amount of these costs to the expenses, which increase the cost of the human capital of an enterprise.

It should be noted that B. Genkin gives a number of indicators that determine the labor potential of individual as well as collective and society as a whole, namely: psycho-physiological opportunities for participation in social activities; possibilities of normal social contacts; possibilities of generation of ideas, methods, images, representations; rationality of behavior; availability of the knowledge and skills necessary to perform certain duties and types of work; labor market offer.

Such scientists as O. Oleksyuk, I. Repina, and O. Fedonin developed organizational approaches and methodology of studying the labor potential of an enterprise. These scientists consider that assessment of the labor potential of a company should be based on economic appraisal of the ability of people to generate a certain income. The higher the individual productivity of an employee and the length of his/her period of activity, the higher income he/she brings and is more valuable for an enterprise. That is, the issue is about the ability of an employee to bring more or less added value in the context of a particular company [5]. However, from our point of view, in current conditions, the continuous process of economic activity provides the market value of an enterprise, that is, its reputation in the functioning market. That’s why it is impracticable to focus only on the level of added value created by an individual worker. Since the corporate culture of an enterprise, and hence its reputation in the market, is formed by its employees.

It should be noted that many scientists include the following components to the labor potential of a single employee:

- psycho-physiological potential – the abilities and predispositions of a person, state of his health, working capacity, endurance, type of nervous system, etc.;
- qualification potential – the volume, depth, and variety of general and specialized knowledge, skills and abilities, which determines employee's ability to work certain content and complexity;
- social potential – the level of civic consciousness and social maturity, the degree of assimilation of an employee’s norms of attitude to work, value orientation, interests, needs and demands in the workplace, based on the hierarchy of human needs [5].

From our point of view, these components can be attributed to the employee's human capital and grouped as follows:

1) psycho-physiological potential – the capital of health;

2) qualification potential – the capital of education;

3) social potential – the capital of culture.

The main peculiarity of these components is that they are difficult to assess by financial indicators (coefficients), but the need is obvious.

In order to assess the expenses incurred on raising capital for health, culture, and education, an analyst needs to have complete analytical information about them. This requires an expansion of number of documents that are filled in when an employee is employed. After all, at this stage, an enterprise must assess the value of its human capital. In order to do this, you need to have information about the real value of his capital; in particular, a company should analyze the attached Diploma supplement and the Contract for study. Moreover, it is necessary to correct the amount by which an employee was granted education with its real value. No less important is the information on the length of experience in the corresponding post because it affects the coefficient of skills, and hence the final cost of the personal human capital of an employee. Only having received in full and having analyzed this information, an employer will be able to determine the cost of an employee's human capital.

The forms individually developed by a company of documents are also necessary. They duplicate and accumulate the expenses incurred in the reporting period in order to increase the value of human capital. For example, we offer the following form of the document (Table 3.5).

We believe that, if the given Card is maintained and accurately filled in, it will be easier for an analyst to analyze the expenses incurred by an enterprise during the period spent on increasing its human capital. Also, the column «Characteristics of the expenses incurred» provides a brief explanation of what expenses were incurred by an enterprise.

It is also worth noting that some expenses will be duplicated with the accounting data, in particular, such expenses as payments of sick leave or vacation leave. However, for a final comparison of the expenses incurred by an enterprise to increase the cost of human capital by its individual components, we propose to enterprises at the end of the reporting period to form «Report of the expenses incurred for the increase of human capital during the reporting period», an example of which is given in Table 3.6.

We consider that filling this information will help in the grouping of expenses by the components of human capital; as well as in its analysis with the previous document by comparing them in order to control the completeness of coverage of the amount of these expenses.

Table 3.5

The form of internal reporting «Card of the expenses incurred by the enterprise on the increase of human capital during the reporting period»

No.	Period	Characteristics of the expenses incurred	Type of human capital, which increases the expenses incurred	Amount, ths. UAH
1.	II-III quarters	Expenses on health improvement	The capital of health	4,0
2.	IV quarter	Expenses on upgrading skills and attending seminars according to the employee's profile	The capital of education	23,5
3.	I-IV quarters	Expenses on the maintenance of social and cultural institutions	The capital of culture	12,0
Total		**X**	**X**	**39,5**

The person who made a report _____ _____

(signature) (name, post)

Source: conditional example

With the help of analytical information from a company's documentation, as well as from the proposed forms of internal reporting, we can analyze the status and effectiveness of the use of human capital (Table 3.7).

Thus, the coefficient of illness for the reporting period is used by an analyst in determining the losses incurred by an enterprise in connection with an increase in the share of employees who took a sick leave, as well as in determining the efficiency of the expenses incurred by an enterprise for improving the overall level of health of the employees, since it is inversely dependent on these expenses. In order to determine which losses were incurred by an enterprise due to the reduction of the health of workers (and therefore reserves), it is necessary to multiply the net profit received during the reporting period by the coefficient of illness. So an analyst will determine how much this indicator would be bigger if a company had no employees who took sick leave.

Table 3.6

The form of internal reporting «Report of the expenses incurred for the increase of human capital during the reporting period»

No.	The capital of education (Ce)		The capital of health (Ch)		The capital of culture (Cc)		Total
	Type	**Amount, ths. UAH**	**Type**	**Amount, ths. UAH**	**Type**	**Amount, ths. UAH**	
1.	Expenses on upgrading skills and attending seminars according to the employee's profile	23,5	Expenses on social insurance	92,0	Expenses on the maintenance of social and cultural institutions	12,0	127,5
2.			Expenses on labor protection	44,0			44,0
3.			Expenses on health improvement	4,0			4,0
Total		**23,5**	**X**	**140,0**	**X**	**12,0**	**175,5**

The person who made a report _____ _____

(signature) (name, post)

Source: conditional example

The following qualitative characteristic of the labor potential of the company is the level of its education. Education plays a significant role in the modern information management environment, in conditions where knowledge, skills, and creativity-mindedness of workers go to a qualitatively new level of their development. Managers should pay attention to the current level of education of the employees in accordance with the requirements of its improvement.

In the methodology of analysis of labor resources proposed by S. Moshenskyy and O. Oliynyk, a separate analytical activity provides an analysis of the professional qualification level of a worker [3]. It involves the calculation of the following indicators: the average tariff rate and the level of work. According to these indicators, it is possible to determine whether the education of an employee meets the requirements for the position that he/she occupies.

Table 3.7

The coefficients of estimation of the level of efficiency of human capital use

Components of human capital	**Indicators**	**Порядок розрахунку**
The level of health	Coefficient of illness	$Ci = Ei / ANE$, where Ci – coefficient of illness for the reporting period; Ei – number of employees who took sick leave; ANE – the average number of employees for the reporting period
The level of education	Coefficient of work experience	$Cwe = T / TWE$, where Cwe – coefficient of work experience; T – time spent on a specific position; TWE – total work experience of an employee
	Coefficient of the level of education of the employees	$Cel = NEel / ANE$, where Cel – coefficient of the level of education of the employees; NEel – number of employees of the corresponding level of education; ANE – the average number of employees
	Coefficient of qualification improvement	$Cqi = D / W$, where Cqi – coefficient of qualification improvement; D – number of days spent on training courses; W – number of working days for the analyzed time interval
The level of culture	Coefficient of dismissal at will	$Cd = NEd / ANE$, where Cd – coefficient of dismissal at will; NEd – number of employees dismissed at will; ANE – the average number of employees.

From our point of view, this analysis is not sufficient for assessing the impact of this qualitative indicator of the labor potential of an enterprise on the overall result of an enterprise. We propose to supplement this methodology with such indicators as the coefficients of professional experience, the coefficient of the level of employees' education, the coefficient of qualification improvement.

The coefficient of professional experience characterizes the time spent by an employee on a particular post. It should be noted that this coefficient is more individual since it characterizes a higher degree of

personal human capital, because it takes into account occupying a particular position not only in a particular enterprise. However, this indicator should be taken into account when analyzing this characteristic of labor potential, since it determines the level of the practical experience obtained by an employee during occupation in a particular position.

If we characterize the work activity of a person in a particular enterprise, we should note that this coefficient does not always have a positive effect on the efficiency of a worker, since a long stay in one position reduces his level of knowledge concerning the adjacent positions. Managers actively emphasize the positive meaning for the education of the employees of internal horizontal or vertical rotation of the staff.

The coefficient of the level of employees' education is characterized by the share of employees of a specific level of education (incomplete secondary, secondary, secondary special, higher) in comparison with the total number of employees of an enterprise. As we have already noted, education has a feature of aging, which promotes its inadequacy to the requirements of the development of society. Therefore the manager, who seeks to operate effectively and continuously in the market, should be responsible in the process of raising the level of skills of the employees. This, in turn, leads to the expediency of distinguishing the next analytical indicator in the study of the level of education of the personnel of an enterprise. The coefficient of qualification improvement characterizes the proportion of days spent by an employee at advanced training or training courses, in the total number of working days for the analyzed period.

It should be noted that this coefficient characterizes not a particular employee, but the position he/she occupies; because the company has several positions whose functional tasks do not change over time. Consequently, the manager, at his own discretion (depending on the strategy of further development), determines which employee, of what position and for what term will be sent to advanced training courses.

The last component of the labor potential of an enterprise, which has a qualitative effect on the overall result of a business entity, is the level of culture of its employees. The main factor characterizing the high level of the culture of a business entity is how much its employees identify themselves with it as a whole. It means how much they are pleased and proud of the place of their work. This indicator is rather subjective since it is not possible to reliably know the attitude of a particular employee to

a company and its management in particular. However, we offer several indicators, the definitions of which will maximally bring an analyst closer to the real level of culture in an enterprise.

One of the main indicators of measuring the influence of the factor of negative corporate spirit and the lack of interest of the personnel in the subsequent employment is the coefficient of dismissed employees at their own will, the calculation of which is also given in the methodology of analysis of labor resources by M. Bolyubakh, V. Burchevskyy, M. Gorbatyuk [1], E. Mnykh [2], S. Moshenskyy, O. Oliynyk [3], H. Savytska [4] and others. If this coefficient decreases in dynamics, then this is an indication that a company is reducing its reputation from the point of view of its employees.

The generalized indicators characterizing the strengthening of the positive corporate culture of an enterprise are also the increase of labor productivity, the reduction of the number of labor discipline violations.

Summarizing the above study, during which we identified a number of factors that influence the effective and continuous activity of an enterprise in the current market conditions, it is established that these factors have a qualitative impact, which makes it impossible to use exclusive financial indicators to assess their level of influence. However, we have formed a list of qualitative indicators, the use of which will be able to give a certain assessment of the specified components. In modern economic conditions, the manager must have comprehensive information about the effectiveness of using the economic potential of an enterprise.

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DEVELOPMENT OF INTEGRATED MARKETING APPROACH IN THE TOURISM INDUSTRY MANAGEMENT

The tourist industry is a priority in the strategic development of the Black Sea region. The article is based on studies related to the marketing of travel and tourism services. The main problems of research in the field of marketing tourism services are the essence and role of marketing in the development of the tourism industry, including the process of marketing management, types of strategies and marketing plans. The purpose of marketing tourism services is to attract as many customers as possible to the business entities, while providing them with the highest quality of service and guaranteeing their full satisfaction as part of the basic and expanded product.

In the article analyzes that tourism is one of the fastest growing industries in the world. It stimulates the development of the national economy, may increased currencies income from the development of tourism, effective use of natural, historical-cultural potential [1].

In the modern period of functioning of the economy, the service industry is developing very dynamically. In connection with this, the specificity of marketing used in travel services is also changing.

The article analyzes the models of state regulation of the tourism industry. World practice separates the four models of state regulation of tourism industry. Eligible for the development of the tourist industry of Ukraine is the third "European" and fourth "Mixed" model, based on solid cooperation between the state and private business, i.e. the presence of central executive authority, recognition tourism is a priority area for the country. It is proved that the main positive point in introducing these models is that the State acts as the coordinator for the development of the tourism industry. The essence and features of the concept of "tourist demand" and "tourist offer" are also analyzed. Established in the tourist marketing system of continuous coordination of services in the marketing process with those that are in demand in the market, and which are planned to be introduced to the market with

greater profits than competitors do.

Tourism can be negative and societal and cultural. Tourist services are needed for those countries that have started the path of market transformation. Exactly so they have made significant progress in the development of tourism Turkey, Greece, Egypt, Spain. Tourism - a priority sector in Ukraine, evidenced by the global trend towards the growth of tourism.

But today Ukrainian tourism market is developing very unevenly. Volume dominates outbound tourism inbound volume tourism market does not correspond to potential opportunities. The level of use of internal recreational resources of Ukraine is only about 8% [2].

Today Ukraine is at an important stage of the state. In difficult conditions there play's democratic governance mechanisms at the base of which is the possibility of participation of every citizen in the activities of government, obtaining reliable information the government's responsibility for their performance. The object of state regulation is the tourism industry.

The tourist movement has long been characterized by liveliness, but eventually caused the need to professionally create tourist offers, organize tourist flows, with the proper realization of the needs of tourists, providing information and, finally, linking the spatially distributed demand with the spatial distribution of tourist services. Justifies the realization of these needs the meaning of the existence of tourism enterprises and is the basis of their economic development. Ability to meet the needs of recreation and tourism, develop along with the development of civilization, meanwhile, there are processes of adapting the activities of producers to the expectations of consumers.

So, in the tourism industry, as in the tourism market, there are many different contracts and businesses that represent very different types of activities, but you can still distinguish between different activities in the tourism market (for example, the air transport market or public catering), which makes it possible to do their structural analysis. It is not possible to list all the directions that cover the tourism market, but you can categorize them in certain key sectors, for example:

– housing and food sector;

– sector of sightseeing;

– transport sector;

– the sector of tour operators and brokers and the sector of local organizations.

Consequently, the phenomenon of the complexity of tourist demand with the simultaneous diversity and diversity of tourist producers makes the search for ways to develop the tourist market the most interesting, but rather a complex task that needs research and resolution.

Overall tourist marketing is defined as coordination of activity of subjects of tourism activity, as well as economic policy in the field of tourism [3].

However, approaches to the definition and content marketing tourism industry is constantly changing, starting with the founder of definition J. Krippendorf and ending with modern looks we are in his interpretation (Table 3.8).

Like a real product, an expanded product is characterized by volatility, and over time, individual elements can become standard. Special merchandise from the manufacturer's point of view is a potential product. It contains items that may be included in the tourist product in the future. At some point, due to economic, technological, political or other reasons, they can not be included in the offer. An example of the same serves park entertainment, which opened after two years and is currently under construction.

The tourist industry includes, first of all, business entities (tourist services), i.e. (hoteliers, restaurateurs, travel agencies and other tourist services, carriers, tourist attractions, sports, cultural and recreational facilities) and tourist areas, that is, which are subdivisions of territorial self-government and tourist organizations.

Marketing of tourism services can be described as a study of consumer demand, disadvantages and advantages, with the formation of previously undisclosed needs, effectively encouraged buying these services, as well as delivering them to the customer at the right time and place after imposing economically justified prices. Otherwise, it is also the use of integrated elements through which the travel company interacts with market processes [10].

Considering marketing tools in the service sector, it should be noted that at present it can be assumed that all economic entities of the tourism industry use the concept of a wide range of marketing services.

A set of marketing services - a set of integrated elements, through which the manufacturer, using market orientation, can affect the selected market. Its elements may include: product, price, place of service, promotion, personnel, customer service and material certificates for services [11].

Table 3.8

Approaches to the concept of marketing in tourism

Author	Treatment
J. Krippendorf	Marketing is a systematic and coordinated entrepreneurial policy of tourism enterprises, as well as private and state tourism policies at the local, regional, national and international levels for certain groups of consumers for the purpose of profit [4, p. 103]
H. Metz	Market ING required to meet human needs in recreation, adventure, activity and self-expression by using the tools of sales, in terms of obtaining maximum profits for the "producers" and taking into account the social responsibility in the transformation of primitive at her nature " [5, p . 59].
P. Kotler	Marketing - driven social process by means of which individuals and groups of people are buying things that need, and that which they want to receive, sharing with other established products and values" [1, p . 509].
O .A. Lozova	Marketing in tourism - this is the activity of planning and development of tourism products and services, sales, promotion, promotion for their demand and pricing [6, p. 35].
H.YE. Kudla	Marketing of tourist services is defined as a set of measures, related to the definition and elaboration of the tourist product, and also its promotion according to the psychological and social factors that should consider to meet the needs of individuals and groups of people in rest, entertainment by means of providing them housing, transport facilities, food, leisure activities, etc. [7, p. 279].
O.S. Teletov	Marketing in the field of tourism is a system study of the tourism market, the full impact on the buyer, his inquiries with the aim of providing maximum quality tourism product and obtaining profit travel company [8, p . 30].
R. Lankar and R. Ollie	Tourist marketing - a series of basic methods and techniques developed for the study, analysis and solution of the tasks. [9]

Source: compiled by authors [4-9]

Table 3.9 shows the sources of information indicated by respondents and the frequency of their use.

Table 3.9

Sources and Frequency of Information on Tourist Services (in %)

Types of carriers	Very often	Often	Rarely	Very rarely
Internet	67.08	15.97	3.47	10.70
Radio	0.00	5.52	22.22	23.61
TV	2.08	18.75	37.50	25.00
Printed matter	2.08	35.42	36.81	13.88
Friends, friends, family	38.47	52.78	2.50	4.17

Source: summarized by the authors

Respondents searched for travel services almost exclusively on the Internet: 67 % are very often and 16 % often. Others used this vegetable property rarely; including 2.79 % were not used at all.

Regarding television, respondents also do not consider it as an important tool in choosing tourist services: almost 19 % often watch television commercials and travel services, 37.59% of respondents rarely seek information there, very rarely 25%, and 16.67 % never. On television, the message about tourist centers often happens in the form of veiled sponsorship: the sponsor of prizes in programs of a competitive nature, for example, the sponsor of the "weather forecast". Often, an attractive resort or city is used as a background for entertainment and educational programs.

An important form of promotion in the market of goods and services of the tourism industry is quite traditional; it is printed materials - folders, leaflets, form that is most often used at fairs, which is also a form of social relations. Advertisement tourism industry, which is based on printed materials, characterized by a very attractive form, with vivid photographs, such as catalogs with offers trips on the border, they carry the main information and promotional - promotions in office. Terms of development of folders and directories are the same in Europe and the world, therefore, the quality of advertising proposals they look very similar and distinguishing them from competing offers is very difficult.. Despite the increasing role of the Internet in promoting travel services, advertising in the form of folders and directories is likely to continue to

be used in the tourist market.

Tourists who themselves are a source of advertising, enjoyed the greatest confidence in the quality of reliable advertising and information about the services ("from mouth to mouth"). The present form of advertising using - 38.47%; very often and 52.78% - often. Only 2.5 % were taken into consideration to the opinion of friends and familiar and only 6% makes it very rarely.

It is currently not possible to use the Internet in promoting travel services. But the one who invests in promotion of advertising in this environment should lead and you do this activity systematically. Position control can bring very good results. Among the many types of online - a for this in accordance with the survey 44.44 % of respondents pressed web-site very important, 43 % - an important and only 7.64% of it was indifferent. An assessment of the importance of promotions and advertisements and in different areas is given in Table 3.10.

Table 3.10

Elements of the marketing of travel services and estimate their importance

Directions	Very important	Importantly	Equally importantetc.	Does not matter
Internet promotion	44.44	43.06	7.64	2.08
Holiday events	6.25	29.17	39.58	10.42
Fairs	4.87	20.83	37.50	22.22
Promotional articles	2.78	27.08	36.11	17.36
Sponsorship	1.39	20.14	42.36	21.53
Lobbying	0.69	10.43	52.08	17.36
Ecological and social advertising	8.03	43.75	26.39	6.94

Source: summarized by the authors

Fair as a form of promotion in the present time does not have the most popular - only every fourth surveyed considered them important or very important. Respondents also do not consider it important to publish (advertise) in the press about tourist services: 2.78 % consider such publication is very important and essential - 27.08%; if so which 36.11% are indifferent, while 17.4% believe that it is generally not

important. Sponsored article as a means of PR even less attracted attention of future tourists: 1.39% thought it very important, the fact that the important thought 20.14% and inert were 42.36% of the respondents. Sponsorship and lobbying as a form of promotion is also not is very popular.

About 43.75% sensitive to ecology, to events, floor related with protection of the environment at local leisure tourists. At present, service companies, especially those with a tourist nature, pay special attention to additional PR measures in the concept of service marketing.

Therefore, every effort should be made to ensure excellent customer service with high standards of quality. Staff must be properly trained in the profession, service delivery processes must be considered in detail, and special attention should be paid to the organization's specific culture. It is envisaged that education in tourism should include economic and managerial trends aware of the role of marketing in modern economic conditions.

It is also quite important to assess the marketing tools that are most noticed by users of the tourism industry product and services. Therefore, we studied this direction; the results of the analysis are presented in Table 3.11.

Table 3.11

Evaluating the effectiveness of marketing tools

Evaluation criterion	Importance in%
Quality of tourist product	64.5
Convenience of travel	48.61
Low offer price	93.75
Housing conditions	54,17
A lot of fun for kids	32.64
Equipment, barbecue, deck chairs	27.08
Purity	79,17
Professional staff	62.64
Internet access	24.31
Comfort	52.78

Source: summarized by the authors

As we see, the quality of the product itself has received a large number of positive ratings: 64.50% rated it as a very important criteria, the price received almost 100% positive responses, and also showed that this is an important factor. We also see that the service process for respondents is becoming more and more important. Tourists in addition

to lower prices expect all the highest standard of service. First of all, convenient access, probably due to bad roads in Ukraine, housing and conditions (very important for 54.17% and comfort for 52,70%, as well as almost 80 % of respondents as the most appreciated the purity.

Professional staff at 62.64% was extremely important, indicating a high level of user requirements for staff. Particular attention is focused on activities for children - for 32.64%, they were very important, and it is noteworthy that many respondents probably did not have children yet. Therefore, the quality of service, in turning out the human factor, is the most important factor in the effective development of marketing in the tourism industry.

Another observation that emerges from the study is that the priority of the Internet and its decisive leading role in promoting the service is controversial, as respondents are the most frequent bunch of "word of mouth" advertisements, which are considered more reliable, confirming the rule, that people believe most of all their friends, relatives.

After analyzing the current concepts of marketing in tourism, we came to the conclusion that it is necessary to consider them through the concept of marketing interaction, that is, when using social and communication techniques to enhance marketing activities in tourism.

Having reviewed the model of state regulation of tourism development, it was noted that it is European model of state participation in the development of the tourism industry is acceptable for Ukraine, because our country chosen the European vector of development for building a democratic society. It would be wise to develop a model tourism management in Ukraine and its regions that will meet the peculiarities of our country and will make it possible to work effectively at this stage of development of tourism in Ukraine.

With regard to public relations tools as a general form of promotion of travel services, they are quite popular among tourists. However, the state needs to pay special attention to the development of recreational areas, and other areas of tourism in Ukraine.

Statements of respondents indicate that they value all marketing tools for the development of tourist services, however, the most traditional of them: festive packages, price, location and access to communications, promotions. At the very least, although relevant, this is a specialist service for children, but this may be due to the specifics of younger buyers, students who do not yet have children. According to survey respondents, it was found that everyone hopes that the tourist services market will also be rapidly evolving, for which it is necessary to

organize special training of personnel, and the development of processes that provide high-quality travel services. It is anticipated that the segment of the elderly with individual interests will pay more attention.

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Chapter 4

FINANCIAL ENSURING OF MANAGEMENT INNOVATIVE DEVELOPMENT OF ECONOMIC ENTITIES

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IDENTIFICATION OF FINANCIAL SECURITY OF ENTERPRISE WITH THE USE OF INDICATORS OF FINANCIAL CONTROL

Financial security of the enterprise (FSE) reveals its essence in the state of the most effective use of corporate resources of the enterprise, expressed in high values of financial indicators of profitability and profitability of business, quality management, the use of fixed and current assets of the enterprise, the structure of its capital, the rate of dividend payments on the company's securities, as well as the exchange value of its securities as a synthetic indicator of the current financial and economic condition of the enterprise and the prospects for technological and financial development [1, p. 207].

Considering the methodological approaches to the analysis and evaluation of FSE, it should be noted that there are two approaches: 1) analysis and evaluation of the general state of financial activity of the enterprise on the basis of the determination of individual indicators [2, p. 62, 3, p. 43, 4, p. 28]; 2) comprehensive evaluation by applying indicative and other methods of constructing an integral indicator [5, p. 235, 6, p. 9, 7, p. 84]. Thus, the methodical bases of evaluation and analysis of the level of FSE indicate that currently there is no universal method of monitoring of FSE. Different vectority of these indicators is explained, firstly, by the belonging of one method or another in a certain methodological direction. Secondly, the purpose of the evaluation of the level of FSE also affects the formation of an information base for the evaluation of this element.

FSE is the activity of the enterprise aimed at preventing bankruptcy,

ensuring a sufficient level of current assets and working capital, profit growth, profitability, current and absolute liquidity, solvency and creditworthiness. In our opinion, it is appropriate to allocate the security of the property status, liquidity, solvency, profitability, business activity of the business entity when assessing the FSE:

1. The element of security of the property state of the enterprise is an appropriate measure of security of the enterprise with the necessary financial resources and the degree of rationality of their placement for the implementation of economic activities and the timeliness of settlements on their obligations;

2. The element of liquidity security of the enterprise is the proper ability of the enterprise to quickly sell assets and get money to pay obligations, i.e. this is the ratio of liquid assets and current debt;

3. The element of security of solvency of the enterprise is its ability to pay on time and in sufficient amounts for obligations;

4. The element of safety of profitability of the enterprise is an indicator of the level of return on costs or the degree of use of available resources in the production and sale of products.

5. The element of security of business activity is the degree of tension and implementation of the plan for all types of performance indicators; a set of efforts aimed at increasing the profitability of the enterprise and its investment attractiveness, the search for possible reserves to improve production efficiency, analysis of the effectiveness of the use of labor, intangible and financial resources, the desire for leadership in the market.

Integral index is used to determine the level of FSE. The significance of each indicator in the context of the five elements of the FSE is the same, and each component of the five elements of the FSE is investigated on the basis of an expert survey of specialists in the machine-building industry in Khmelnytsky. The coefficient of concordance is equal to 0.62, which indicates that the co-ordination between the experts is at a high level. The obtained results allow on the basis of an integrated evaluation system to obtain information on the level of financial security of the state enterprise "Novator", Table 4.1.

To estimate the integral index of the FSE it is necessary to formalize the form of a complex indicator, that is, to describe the levels at which the integral estimation of the FSE will be made. On the basis of the integrated evaluation system, the results of the level of FSE of the state enterprise "Novator" subsidiary during the years 2013-2018 indicate that the company is characterized by an absolutely safe level of financial

Table 4.1

Evaluation of the financial security level of the state enterprise "Novator" for the period of 2013-2018

Index	Subjunctive designation	Yesr						
		2013	2014	2015	2016	2017	2018	deviation (p. 9-p. 3)
1	2	3	4	5	6	7	8	9
1. Security of property status		0,74	0,74	0,90	0,80	0,86	0,82	0,08
1.1. Depreciation of fixed assets index	X 1	0,15	0,12	0,16	0,15	0,16	0,16	0,01
1.2. Eligibility of fixed assets index	X 2	0,14	0,09	0,18	0,13	0,12	0,12	-0,02
1.3. Return on assets index	X 3	0,13	0,19	0,40	0,23	0,35	0,26	0,14
2. Liquidity security		0,82	0,85	0,87	0,78	0,85	0,89	0,07
2.1. Absolute liquidity index	X 4	0,07	0,05	0,07	0,05	0,07	0,04	-0,03
2.2. Fast liquidity index	X 5	0,12	0,16	0,12	0,07	0,07	0,07	-0,05
2.3. Current liquidity index	X 6	0,25	0,28	0,31	0,26	0,38	0,52	0,27
2.4. Vibe index	X 7	0,01	0,02	0,09	-0,01	0,02	0,00	0,00
3. Solvency security								
		0,92	0,94	0,93	0,97	0,94	0,94	0,02
3.1. Financial autonomy index	X 8	0,10	0,09	0,10	0,06	0,09	0,11	0,01
3.2. Financial risk index	X 9	0,06	0,09	0,07	0,20	0,09	0,05	-0,01
3.3. Maneuverability of equity index	X 10	0,03	0,06	0,06	0,06	0,07	0,13	0,10
3.4. Long-term debt index	X 11	0,06	0,07	0,06	0,10	0,07	0,05	-0,01
3.5. Current indebtedness index	X 12	0,02	0,02	0,02	0,03	0,02	0,01	0,00
3.6. Concentration of capital raised index	X 13	0,07	0,08	0,07	0,12	0,08	0,06	-0,01
3.7. Financial stability index	X 14	0,22	0,22	0,22	0,22	0,22	0,22	0,00
4. Security of profitability		0,82	0,83	0,85	0,80	0,85	0,88	0,06
4.1. Return on assets index	X 15	0,00	0,00	0,01	0,00	0,00	0,00	0,00
4.2. Return on equity index	X 16	0,00	0,00	0,02	0,00	0,01	0,02	0,02
4.3. Profitability of productive assets index	X 17	0,00	0,04	0,06	0,00	0,01	0,00	0,00
4.4. Product profitability index	X 18	0,24	0,23	0,23	0,24	0,28	0,24	0,00
4.5. Gross return on sales index	X 19	0,04	0,04	0,04	0,04	0,07	0,05	0,00
4.6. Sales profitability index	X 20	0,01	0,02	0,02	0,00	0,02	0,14	0,13

Table 4.1(continued)

1	2	3	4	5	6	7	8	9
5. Security business activity		1,26	1,36	1,32	1,16	1,16	1,13	-0,14
5.1. Current assets index	X 21	0,04	0,05	0,07	0,03	0,08	0,04	0,00
5.2. Turnover receivables index	X 22	2,00	4,22	3,72	0,75	1,55	1,04	-0,96
5.3. Payables index	X 23	0,17	0,19	0,30	0,10	0,15	0,22	0,05
5.4. Turnover of working capital index	X 24	1,34	1,05	1,37	1,06	0,49	0,84	-0,50
5.5. Turnover of material stocks index	X 25	0,17	0,16	0,22	0,08	0,11	0,10	-0,07
5.6. Turnover of finished products index	X 26	2,62	5,54	3,10	1,05	0,48	0,02	-2,60
5.7. Equity index	X 27	0,03	0,04	0,06	0,04	0,05	0,04	0,01
5.8. Turnover of fixed capital index	X 28	0,12	0,17	0,36	0,24	0,38	0,30	0,18
Index of financial security of the enterprise		**0,59**	**0,66**	**0,70**	**0,62**	**0,65**	**0,64**	**0,04**

Source: formed by the author on the basis of financial statements and the results of the expert survey

security. The highest level of FSE for the state enterprise "Novator" is observed in 2015 at 0.992, and the lowest - in the year 2018, at 0.981.

During the investigated period, the FSE of the state enterprise "Novator" was influenced by fines imposed by the controlling bodies (the State Fiscal Service of Ukraine and the State Audit Office of Ukraine). In particular, according to the results of the analysis of scheduled and unscheduled inspections, which were appealed by the court of the state enterprise "Novator" during the years 2013-2018 (Table 4.2), it was established that the State Fiscal Service in the Khmelnytsky region issued tax notification decisions totaling 6512.336 thousand hryvnias, and only 22.0% of the amounts indicated in the tax reports of decisions (or 1492,672 thousand hryvnias) were recognized by court decisions.

In addition, the author analyzed the audit reports of the State Financial Inspectorate in the Khmelnytsky region of the state enterprise "Novator" for 2013-2018 years. The main task of the audit was to assess the effectiveness of enterprise management and to analyze the actual state of affairs regarding the legitimate and effective use of public funds and property, other state assets, the correctness of accounting and the reliability of financial reporting, the functioning of the internal control system. As the structure of the auditor's report shows, there are separate units that cover issues of the efficiency of enterprises: I. "Financial and economic activity", II. "Factors that negatively affect the activity of the

Table 4.2

Analysis of scheduled and unscheduled inspections of the State Fiscal Service in Khmelnytskyi Oblast, which were challenged in court and influenced the formation of the financial statements of the state enterprise "Novator" during the period of 2013-2018.

Planned period of reflection of economic transaction in the enterprise account	Period covered by the audit	Size of penalties, thousand hryvnias	Confirmed by judicial decision, thousand hryvnias	Not confirmed by court decision, thousand hryvnias	Not defined	Note	Impact on financial statements	
							Amount	string value
1	2	3	4	5	6	7	8	9
April 2013	July 2012	75,6	75,6	x	x	April 19, 2013 on the case K/800/16066/13	-75,6	R. 1135 F. 1
							-75,6	R. 1300 F. 1
							+ 75,6	R. 1420 F. 1
							+ 75,6	R. 1495 F. 1
May 2013	August 2010	625,2	625,2	x	x	May 22, 2013 on the case K/9991/10729/12	-625,2	R. 1135 F. 1
							-625,2	R. 1300 F. 1
							+ 625,2	R. 1420 F. 1
							+ 625,2	R. 1495 F. 1
Total for 2013		**700,8**	**700,8**	**x**	**x**			
Total for 2014		**1252,1**	**x**	**1252,1**	**x**			
February 2015	September 2011	122,3	732,4	x	x	February 19, 2015 on the case № 822/4492/14	-732,4	R. 1135 F. 1
							-732,4	P. 1300 Ф. 1
	October 2011	610,146					+ 732,4	P. 1420 Ф. 1
							+ 732,4	P. 1495 Ф. 1
July 2015	June 2015	59,426	59,426	x	x	17 July 2015 on the case № 822/2601/15	-59,4	P. 1135 F. 1
							-59,4	P. 1300 F. 1
							+ 59,4	P. 1420 F. 1
							+ 59,4	P. 1495 F. 1
Another		320,2	x	320,2	x			
Total for 2015		**1112,1**	**791,9**	**320,2**	**x**			
Total for 2016		**696,3**	**x**	**644,9**	**51,4**			
Total for 2017 рік		**2751,1**	**x**	**2751,1**	**x**			
Total for 2013-2018		**6512,3**	**1492,7**	**4968,3**	**51,4**			

Source: systematized by the author on the basis of the Unified state register of court decisions

enterprise". It should be noted that the block I "Financial and economic activity" (in terms of reliable and substantiated planning of financial plans of the enterprise) does not affect the FSE index, since it focuses on the responsibility of the head of the company under the legislation

established by the law in accordance with the terms of the contract for drawing up the financial plan of the enterprise. At the same time, the block II "Factors that negatively affect the activities of the enterprise" is more universal (Table 4.3). First, direct violations of the rules of financial and accounting law allow you to track the direct impact on the level of FSE. Secondly, there are many factors that are not connected with a direct violation of the norms of the law, but only fix the conditional missed benefits in the conduct of economic activity.

Table 4.3

Effective part of the audit reports of the State Financial Inspectorate in the Khmelnytsky region on the state enterprise "Novator" for the period from 01.03.2015 to 30.06.2018

(thousand hryvnias)

State enterprise "Novator"	Funds (expenses of the enterprise)	Property (non-current assets)
1) 01.03.2015-31.03.2016 period (audit report of the State Financial Inspection in the Khmelnitsky region № 22-07-08/2 from 06.17.2016)		
Overcome:	748555,0	126779,0
Revealed a total of:		**16479,37**
loss of funds and/or property, loss of profits		12066,75
illegal expenses, which led to the losses		7,1
inefficient use of funds and property, unproductive expenses		4258,62
other violations of financial discipline		133,8
Total state budget is not received.		**13,1**
2) 01.04.2016-30.06.2017 period (audit report of the State Financial Inspection in the Khmelnitsky region № 08-08/5 from 08.09.2017)		
Overcome:	806199,0	117807,0
Revealed a total of:		**8615,58**
loss of funds and/or property, loss of profits		7142,3
illegal expenses, which led to the losses		43,25
inefficient use of funds and property, unproductive expenses		1353,65
other violations of financial discipline		67,02
3) 01.07.2017-30.06.2018 period (audit report of the State Financial Inspection in the Khmelnitsky region № 08-08/9 from 21.09.2018)		
Overcome:	967874,0	133297,0
Revealed a total of:		**2687,35**
loss of funds and/or property, loss of profits		100,34
inefficient use of funds and property, unproductive expenses		2587,01

Source: systematized by the author on the basis of audit reports of the State financial inspection in Khmelnitsky region

Taking into account the data presented in Table 4.4, we will define the indicators of financial control efficiency: 1. the ratio of non-

payments of funds / property (lost) benefits is defined as the ratio of the size of the shortfall of funds and / or property, lost profits to the total amount of costs (expenses of the enterprise) and property (irreversible assets); 2. the ratio of inefficient use of funds and property, non-productive costs is defined as the ratio of inefficient use of funds and property, non-productive expenses to the total amount of funds (costs of the enterprise) and property (non-current assets); 3. the accounting violation ratio is defined as the ratio of illegal expenses that resulted in losses to the total amount of funds (costs of the enterprise) and property (non-current assets); 4. the ratio of violation of financial discipline is defined as the ratio of the amount of violation of financial discipline to the total amount of funds (costs of the enterprise) and property (non-current assets); 5. the efficiency ratio of control is defined as the ratio of the amount of funds returned to the State budget by the results of control measures to the volume of misuse of budgetary funds identified by the results of control measures.

According to indexes of control of the production system of the state enterprise "Novator" during the research period:

- the highest figure is the rate of non-compliance of funds/property (missed) benefits (fluctuations from 0.009% to 1.379%).

- the ratio of inefficient use of funds and property, unproductive expenses (fluctuations from 0,146% to 0,487%) is more significant.

The value of these ratios should be taken into account by officials when formulating the concept of effective financial control.

- the ratio of accounting violations (0.001% to 0.003%) is insufficiently significant.

Just below the position has a ration of violation of financial discipline (fluctuations from 0.007 % to 0.015 %). These indexes have a direct impact on the value of the lines in the financial statements, which is the basis for determining the level of FSE.

- the ratio of effectiveness of control during 01.03.2015-31.03.2016 was 12,868 %.

I. At the moment, we will analyze the effect of the coefficient of violation of the rules of financial discipline on the formation of financial reporting indicators of the state enterprise "Novator" (Table 4.3). Thus, during the investigated period, violations of the rules of financial discipline for the total amount of 200.82 thousand hryvnias were revealed, including:

1.1. for the total amount of 39,1 thousand hryvnias, fixed assets were established on the basis of inventory (2016) and 9,36 thousand hryvnias

(2017);

1.2. for the total amount of 94,7 thousand hryvnias, the economic operation for the execution of works in accordance with the order for works workshop number 22 in August 2015, underestimated the value of assets and overpriced total manufacturing costs (2016). As a result, in the year 2015, the net profit (income) of the total amount of 11,6 thousand hryvnias (control efficiency indicator) was not added to the State Budget or paid to the enterprise.

1.3. for the total amount of 67.02 thousand hryvnias, an underestimation of the property status index was established as a result of the non-carrying out of the revaluation of fixed assets recorded at zero cost (2017).

Another group is II. The rate of breach of accounting standards is similar to the rate of violation of the rules of financial discipline also has an effect on FSEs directly through the values of the lines of financial statements, for a total amount of 37.55 thousand hryvnias, including:

2.1. for the total amount of 7,1 thousand hryvnias, the cost of construction works was exceeded in 2015 by the supplier of LLC "Koloryt" and overpriced by total production costs (2016). As a result, in the year 2015 the enterprise was not paid or paid to the State Budget a part of the net profit (income) for the total amount of 1.5 thousand hryvnias (indicator of the effectiveness of control);

2.2. for the total amount of 12.8 thousand hryvnias for illegally reimbursed expenses to the reporting person for a business trip (2017). During the audit, this violation was eliminated by the return of funds to the cash desk, as well as the reversal of the corresponding amounts according to the accounting data;

2.3. for the total amount of 30.45 thousand hryvnias, according to inventory values, their shortage was established on the basis of inventory carried out (2017).

Taking into account such indicators of control of the production system as the coefficient of violation of accounting standards, financial discipline and the results of judicially recognized violations of tax legislation (Table 4.2), we will justify changes in the individual indicator in the FSE on the subsidiary of the state entreprise "Novator" (Table 4.4).

Previously, in Table 4.3, the author noted that only 22.0% of the court recognized tax communication decisions in favor of the State Fiscal Service in the Khmelnytsky region.

Table 4.4

Substantiation of the change of the individual index in the integral index of FSE of the state entreprise "Novator" subsidiary on the results of inspections by the controlling bodies

(thousand hryvnias)

Period	Source	Financial statements				Change of the individual index in the integral index of the FSE	Note
		line	With established violations, thousand hryvnias	Without established violations, thousand hryvnias	Deviation, thousand hryvnias (p. 4-p.5)		
1	2	3	4	5	5	7	8
2013	Table 4.3	P. 1135 F. 1	10327	11027,8	-700,8	X_4, X_5, X_9, X_{22}	-
		P. 1300 F. 1	124671	125371,8	-700,8	X_7, X_8, X_{12}, X_{13}, X_{14}	
		P. 1420 F. 1	-6082	-6782,8	+ 700,8	-	
		P. 1495 F. 1	72658	73358,8	+ 700,8	X_7, X_8, X_{10}, X_{11}, X_{16}	
2015	Table 4.3	P. 1135 F. 1	5868	6659,8	-791,8	X_4, X_5, X_9, X_{22}	-
		P. 1300 F. 1	195517	196308,8	-791,8	X_7, X_8, X_{12}, X_{13}, X_{14}	
		P. 1420 F. 1	41330	40538,2*	+ 791,8*	-	
		P. 1495 F. 1	109261	108469,2	+ 791,8	X_7, X_8, X_{10}, X_{11}, X_{16}	
2016	№ 22-07-08/2 from 17.06.2016	P. 1011 F. 1	171551	171511,9	+39,1	X_1, X_2, X_{10}, X_{15}, X_{17}	
		P. 1300 F. 1	290777	290737,9	+39,1	X_7, X_8, X_{12}, X_{13}, X_{14}	p. 1.1
		P. 2120 F. 2	32968	32928,9	+39,1	-	
		P. 2355 F. 2	-5996	- 5956,9	+ 39,1	X_7, X_{15}, X_{16}	
		P. 1420 F. 1	29569	29462,7	+ 106,3*	-	p. 1.2
		P. 1495 F. 1	97775	97668,7	+ 106,3*	X_7, X_8, X_{10}, X_{11}, X_{16}	
		P. 1420 F. 1	29569	29560,4	+ 8,6*	-	p. 2.1
		P. 1495 F. 1	97775	97766,4	+ 8,6*	X_7, X_8, X_{10}, X_{11}, X_{16}	
		P. 1011 F. 1	184629	184561,98	+ 67,02	X_1, X_2, X_{10}, X_{15}, X_{17}	p. 1.3
		P. 1300 F. 1	257353	257285,98	+67,02	X_7, X_8, X_{12}, X_{13}, X_{14}	
		P. 1405 F. 1	1144	1076,98	+ 67,02	-	
		P. 1495 F. 1	140744	140676,98	+ 67,02	X_7, X_8, X_{10}, X_{11}, X_{16}	
		P. 1100 F. 1	122281	122271,64	+9,36	X_1, X_2, X_{10}, X_{15}, X_{17}	p. 1.1
		P. 1300 F. 1	253753	253743,64	+9,36	X_7, X_8, X_{12}, X_{13}, X_{14}	
		P. 2120 F. 2	46985	46975,64	+9,36	-	
		P. 2350 F. 2	43849	43841,32	+ 7,68**	X_7, X_{15}, X_{16},	

Table 4.4 (continued)

1	2	3	4	5	5	7	8
						X_{17}	
		P. 1011 F. 1	122281	122259,55	- 30,45	X_1, X_2, X_{10}, X_{15}, X_{17}	p. 2.3
		P. 1300 F. 1	253753	253722,55	- 30,45	X_4, X_7, X_8, X_{12}, X_{13}, X_{14}	
		P. 2180 F. 2	54424	54393,55	+30,45	-	
		P. 2350 F. 2	43849	43818,55	+30,45	X_7, X_{15}, X_{16}	

*Note: * - in accordance with points 4 and 5 of the Accounting Regulation 6, the correction of mistakes made in the preparation of financial statements in previous years is made by adjusting the balance of retained earnings at the beginning of the accounting year, if such errors affect the amount of retained earnings (uncovered loss).*

*** - amount of net profit, excluding income tax 7.68 thousand hryvnias (9.36 - 1.68)*

During the investigated period, it was found that only 0.95% of violations detected by the State Financial Inspectorate in the Khmelnytsky Oblast violate accounting and financial discipline, and the remaining 99.05% are related to a number of ineffective management decisions. Due to these facts there is a lack of dependence of the financial security of the state enterprise "Novator" from the checks set by the controlling bodies, Table 4.5.

Table 4.5

Determination of the change of the individual indicator in the integral index of FSE of the state entreprise "Novator" subsidiary on the results of inspections by the authorities

Index	Indicator value	Year					
		2013	2014	2015	2016	2017	2018
1	2	3	4	5	6	7	8
Depreciation of fixed assets index (x 1)	with changes	0,704	0,576	0,768	**0,710**	**0,770**	0,766
	without changes	0,704	0,576	0,768	**0,710**	**0,770**	0,766
	deviation	*0,000*	*0,000*	*0,000*	***0,000***	***0,000***	*0,000*
Eligibility of fixed assets index (x 2)	with changes	0,331	0,223	0,443	**0,320**	**0,303**	0,293
	without changes	0,331	0,223	0,443	**0,320**	**0,303**	0,293
	deviation	*0,000*	*0,000*	*0,000*	***0,000***	***0,000***	*0,000*
Absolute liquidity index (x 4)	with changes	**0,217**	0,152	**0,217**	0,152	0,208	0,134
	without changes	**0,202**	0,152	**0,200**	0,152	0,208	0,134
	deviation	***0,015***	*0,000*	*0,017*	*0,000*	*0,000*	*0,000*
Quick liquidity index (x 5)	with changes	**0,380**	0,507	0,368	0,208	0,213	0,213
	without changes	**0,365**	0,507	0,358	0,208	0,213	0,213
	deviation	***0,015***	*0,000*	*0,010*	*0,000*	*0,000*	*0,000*
Vibe index (x 7)	with changes	**0,069**	0,122	**0,653**	**-0,048**	**0,147**	0,038
	without changes	**0,069**	0,122	**0,651**	**-0,048**	**0,035**	0,038
	deviation	***0,000***	*0,000*	***0,002***	***0,000***	***0,112***	*0,000*

Table 4.5 (continued)

1	2	3	4	5	6	7	8
Financial autonomy index (x 8)	with changes	**0,618**	0,543	**0,588**	**0,341**	**0,547**	0,659
	without changes	**0,624**	0,543	**0,592**	**0,342**	**0,547**	0,659
	deviation	***-0,006***	*0,000*	***-0,004***	***0,000***	***0,000***	*0,000*
Financial risk index (x 9)	with changes	**0,618**	0,841	**0,700**	1,930	0,828	0,519
	without changes	**0,612**	0,841	**0,695**	1,930	0,828	0,519
	deviation	***0,006***	*0,000*	***0,005***	*0,000*	*0,000*	*0,000*
Maneuverability on equity index (x 10)	with changes	**0,264**	0,466	**0,442**	**0,449**	**0,506**	0,999
	without changes	**0,271**	0,466	**0,446**	**0,450**	**0,506**	0,999
	deviation	***-0,007***	*0,000*	***-0,004***	***-0,001***	***-0,001***	*0,000*
Long-term debt index (x 11)	with changes	**0,382**	0,457	**0,412**	**0,659**	**0,453**	0,341
	without changes	**0,380**	0,457	**0,410**	**0,658**	**0,453**	0,341
	deviation	***0,002***	*0,000*	***0,002***	***0,000***	***0,000***	*0,000*
Current indebtedness index (x 12)	with changes	0,372	0,450	0,408	**0,640**	0,405	0,291
	without changes	0,372	0,450	0,408	**0,640**	0,405	0,291
	deviation	*0,000*	*0,000*	*0,000*	***0,000***	*0,000*	*0,000*
Concentration of capital raised index (x 13)	with changes	0,382	0,457	0,412	**0,659**	0,453	0,341
	without changes	0,382	0,457	0,412	**0,659**	0,453	0,341
	deviation	*0,000*	*0,000*	*0,000*	***0,000***	*0,000*	*0,000*
Financial stability index (x 14)	with changes	**1,000**	1,000	**1,000**	**1,000**	1,000	1,000
	without changes	**1,006**	1,000	**1,004**	**1,000**	1,000	1,000
	deviation	***-0,006***	*0,000*	***-0,004***	***0,000***	*0,000*	*0,000*
Return on assets index (x 15)	with changes	0,016	0,037	0,074	**-0,006**	**0,040**	0,004
	without changes	0,016	0,037	0,074	**-0,005**	**0,040**	0,004
	deviation	*0,000*	*0,000*	*0,000*	***0,000***	***0,000***	*0,000*
	with changes	0,026	0,064	0,368	-0,013	**0,093**	**0,380**
	without changes	0,025	0,064	0,366	-0,013	**0,093**	**0,380**
	deviation	0,000	0,000	0,002	0,000	**0,000**	**0,000**
	with changes	0,011	0,221	0,321	-0,008	**0,062**	**0,005**
	without changes	0,011	0,221	0,321	-0,008	**0,062**	**0,005**
	deviation	0,000	0,000	0,000	0,000	**0,000**	**0,000**
	with changes	0,976	0,982	0,991	0,975	**0,983**	**0,981**
	without changes	0,976	0,982	0,991	0,975	**0,983**	**0,981**
	deviation	0,000	0,000	0,000	0,000	**0,000**	**0,000**

Note: in white columns, the values of individual indexex in the integral index of FSE are given in periods when the controlling bodies did not carry out planned or unscheduled inspections

Due to the high level of the share of violations associated with a number of ineffective management decisions (99.05%) confirmed by the author, the prospect for further research is the analysis of those factors that negatively affect the activities of the state enterprise “Novator”, highlighting external and internal factors.

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ALTERNATIVE SOURCES OF FUNDING FOR INNOVATIVE ACTIVITIES OF BUSINESS ENTITIES

The availability of financial resources is always one of the key issues for businesses. Business entities can use short-term bank loans (including overdraft, credit lines), commercial loans, factoring transactions, etc. to finance working capital. However, traditional sources of attracting financial resources are often not enough to finance innovation or their use is associated with difficulties.

The list of possible sources of financing for innovation activities, research and development is presented in Figure 4.1. In general, the main sources of financing of investment needs of enterprises are:

- self-financing (innovation financed internally);
- long-term bank loans;
- leasing loans;
- Issue of equity and debt securities.

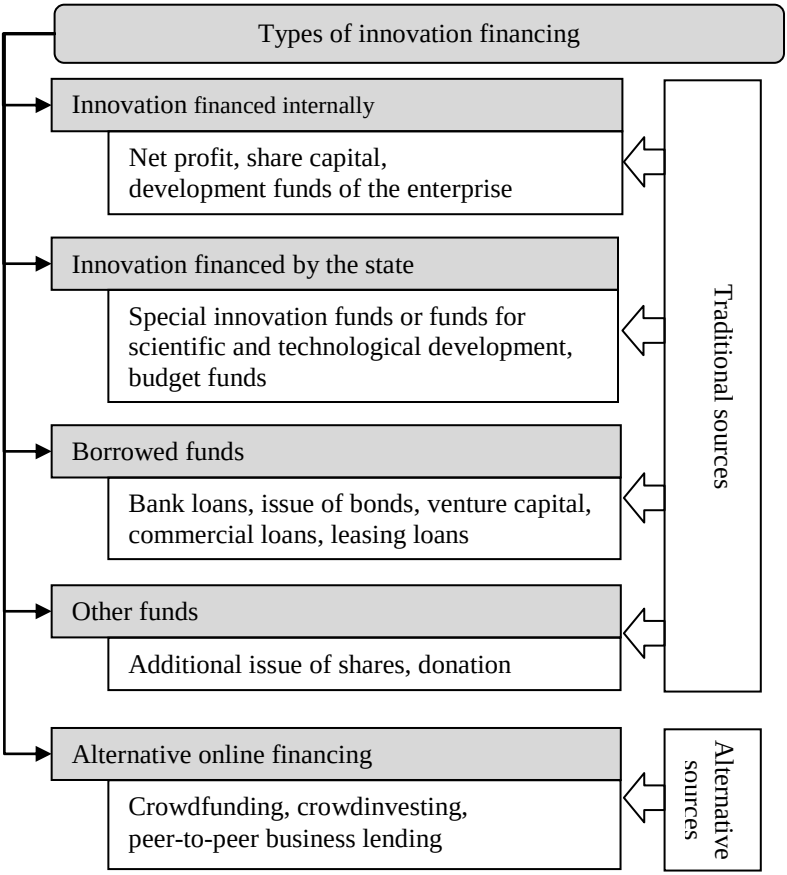

Figure 4.1 Traditional and alternative sources of innovation financing

The normal situation for an enterprise is the predominance of internal financial resources. This is a sign of the autonomy of the business entity and a condition for maintaining its financial sustainability in the long run. The main source of internal financial

resources of the enterprise is net profit, and for new businesses - the authorized (share) capital.

Given the riskiness of innovation and the long payback period of investments, innovative activity of enterprises is actively supported and co-funded by state specialized funds in many countries.

Nevertheless, the achievement of high rates of entrepreneurial activity and innovation activity, relying exclusively on internal business funds and government donations, seems impossible. Therefore, borrowed funds have an important role in financial support of innovation activity of enterprises. The provision of borrowed funds is based on terms of maturity, interest payment and repayment of the debt. Borrowed funds for innovation activities include bank loans; loans from non-bank financial and credit institutions (leasing loans, factoring, etc.); commercial loans and funds received from the issue and placement of debt securities (for example, corporate bonds), as well as venture capital – specific source of financing for innovation projects.

In European countries, as well as in the whole world, the greatest part of investments is financed internally from the own funds of the enterprises. The share of internal financing is about 60-70%. The actual structure of various sources of innovation financing depends on specific features of the enterprise, types of business activities, and on country profile in general. Based on data from the World Bank [2], we consider the structure of sources for investment activities financing in Eastern European countries (Figure 4.2).

The share of internal financial resources in the structure of investment activities financing of enterprises in Eastern Europe ranges from 47.2% to 80.9%. The largest share of internal sources in financing investments is inherent to North Macedonia (80.9%), Albania (80.9%), Moldova (80.0%) and Latvia (78.2%). The smallest share of self-financing of enterprises is in Slovakia (47.2%), Montenegro (54.8%) and Serbia (56.4%). These countries have the higher rate of leasing and equity financing (Montenegro), as well as a significant share of alternative sources of funding (Serbia, Slovakia).

The leaders of bank lending for investment activity in Eastern Europe are Bosnia and Herzegovina (23.9%), Estonia (20%), Croatia (18.6%) and the Czech Republic (18.5%). The share of bank lending in such countries as Latvia (6.2%) and Moldova (7.7%) is almost three times less than in leading countries of the region. The share of bank loans in providing the investment needs of business in Ukraine (11.0%), Macedonia (11.1%) and Poland (12.1%) are also low.

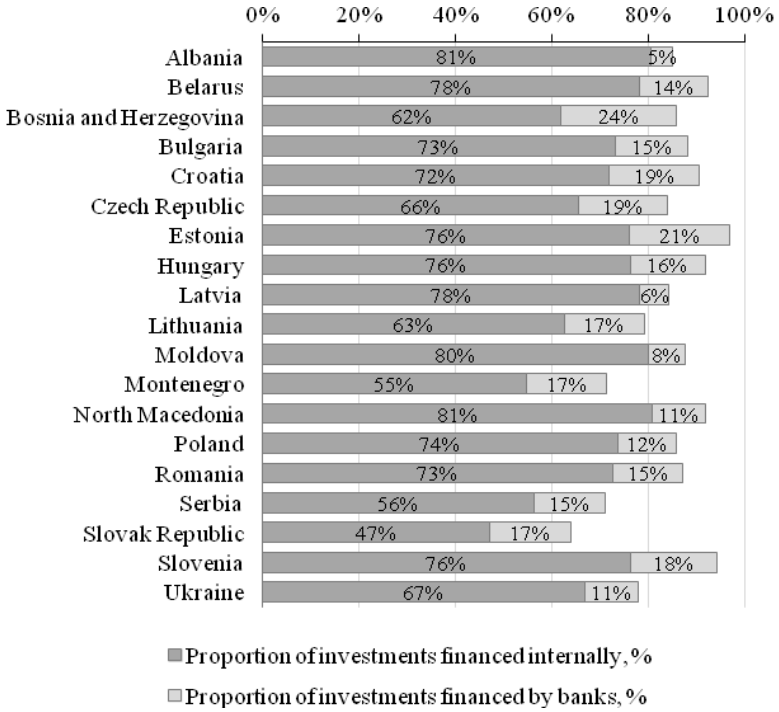

Figure 4.2 Structure of sources for investment activities financing in the Eastern Europe

Source: [2]

The remaining sources of external finance investments in Eastern Europe accounted for 3% (Estonia) to 36% (Slovakia) of the total investment. These sources include, first of all, leasing loans, irrevocable government and non-government donations, and debt securities issues.

Despite the diversity of traditional forms of external financing of innovation, most of them remain inaccessible to enterprises or are used restrictively, because they do not allow the attraction of funds on favorable terms or for the required period and do not always correspond to the goals and business opportunities.

Due to the development of information technologies, specialized online platforms have become a new alternative to traditional financing. Their use allows to raise funds for financing innovative business projects directly from the lender to the borrower without the financial

intermediation.

The types of alternative financing that can be used by enterprises to increase their investment funds and working capital are the following [6,7]:

- peer-to-peer business lending – borrowing from individuals and legal entities without the participation of a traditional financial intermediary through an online platform;
- reward-based crowdfunding – raising funds for an investment or other project in the absence of an obligation to pay an interest or other payment for the use of financial resources. Instead, it guarantees a non-financial remuneration to providers of funds, which may have different forms: the primary receipt of the product after its production, obtaining the goods for the better price or other benefits;
- donation-based crowdfunding – raising funds on a gratuitous and irrevocable basis, in which the recipients of financial resources do not bear any obligations to the donors;
- equity-based crowdfunding – obtaining funds from an investor in exchange for shares of an enterprise, dividends and the right to participate in management;
- profit sharing crowdfunding – raising funds from issuing securities, such as bonds and shares, with the obligation of paying out a part of company's income or profit in the form of dividends, royalties, etc. but the borrower has all control over the investment project (business);
- balance sheet business lending – business lending through an online platform, in which the loan amount is directly deducted from the account of the institution managing the platform;
- invoice trading – selling company's invoices or receivable notes to individuals and legal entities through an online platform at a discount;
- debt-based securities – selling the debt-based securities, typically bonds, to individual and institutional investors online.

Alternative business financing models are based on the use of specialized online platforms that provide a real and effective source of financial resources for enterprises. However, not all alternative financing models are eligible to finance innovation. We consider that two types of crowdfunding are best suited in order to finance innovation – reward-based crowdfunding and equity-based crowdfunding (or crowdinvesting).

Crowdfunding can provide financial resources for innovation projects in sufficient volume and on reasonable terms. This option of

financing innovation is available in both developed and developing countries. This is particularly important for many countries in Eastern Europe, where business entities significantly limited in the use of traditional sources of long-term debt, but can raise funds for their projects through crowdfunding platforms worldwide using the Internet.

Crowdfunding has several important characteristics that distinguish it favorably from the traditional channels of obtaining investment financial resources and traditional financial intermediaries (banks, stock market intermediaries), as well as from business angels and venture capitalists:

- unlike bank lending, crowdfunding platforms allow to raise funds by the start-ups and other companies at the stage of the appearance of a business idea and provide the required amount of funding on favorable terms;
- for both providers and recipients of financial resources, alternative online business financing provides such benefits as speed, simplicity and clarity of operations;
- unlike the issue of equity securities and venture financing, crowdfunding allows simultaneously obtaining the required amount of comparatively “cheap” financial resources from investors and maintaining control over the business;
- unlike all other types of financing, the availability of the crowdfunding platforms via the Internet allows for funding regardless of the geographical locations of the investor and recipient;
- crowdfunding can be applied to financing almost any kind of activity – startups, innovation, social projects, media projects and anything else that can be of interest to investors;
- crowdfunding platforms are simpler and more understandable for the recipient of financial resources, often the only requirement is to post information on the project online;
- as for investors (providers of capital), crowdfunding is not only a new area of investing and getting profit, but also an opportunity to support important and interesting business ideas and innovative projects.

However, crowdfunding also has its drawbacks and risks for both investors and borrowers. First of all, crowdfunding, as a type of alternative online finance, is implemented through the online platform and carried out without the mediation of professional financial market participants. Therefore, the functions of risk assessment and competent selection of projects rely on the investor himself, increasing his investment risks. Crowdfunding platforms can only carry out initial selection of projects that are allowed to be posted according to

predefined formal criteria.

Lack of investor control over the implementation of the project and the absence of accountability of the crowdfunding platforms to investors leads to frequent cases of fraud, the use of crowdfunding platforms and projects on the platforms for quick collection and withdrawal of funds, and not for stated purposes, innovations or other business ideas.

In addition, online crowdfunding platforms are vulnerable to cyber-attacks like any other information technology projects, which also increases the risk of losing money for crowdfunding participants.

The choice of crowdfunding projects for investing is carried out by investors on the basis of their personal preferences, values and interests [1]. Therefore, another risk for business entities when using crowdfunding is insufficient funding for the project as a result of the lack of investors interested in it.

In fact, only about one fifth of all projects receive the full funding through crowdfunding platforms. The ratio of fully funded and partially funded projects depends on their target orientation (Figure 4.3).

The most popular projects that are fully funded in 40-50% of cases are projects in the following categories: comics and graphic novels (52.1%), gaming (42.6%), charity (45.8%) and experimental (40.3%).

The following categories are leading in the number of projects that are fully funded through online platforms: film (18930 projects since 01/01/2014), music (18731 projects), design (13002 projects), art (12127 projects), publishing (11572 projects) and gaming (10664 projects).

The share of fully funded small business projects is the lowest compared to other categories and is only 3.2%. Business project proposals are also rarely collecting the required amount of funding through reward-based crowdfunding.

Despite the fact that 40% of experimental projects have received full funding and 9749 technology projects are already full funded through the crowdfunding platforms, reward-based crowdfunding is better suited to creative projects than to finance enterprise innovation. For these reasons, crowdinvesting (equity-based crowdfunding) is often the most appropriate alternative finance option for businesses.

The key difference of crowdinvesting is that investors get a stake in the company's equity and risk of losing investments. At the same time, the amount of possible profit is not fixed. Crowdinvesting is an alternative financial instrument for financing new enterprises that do not have sufficient credit history or a convincing business plan for the bank.

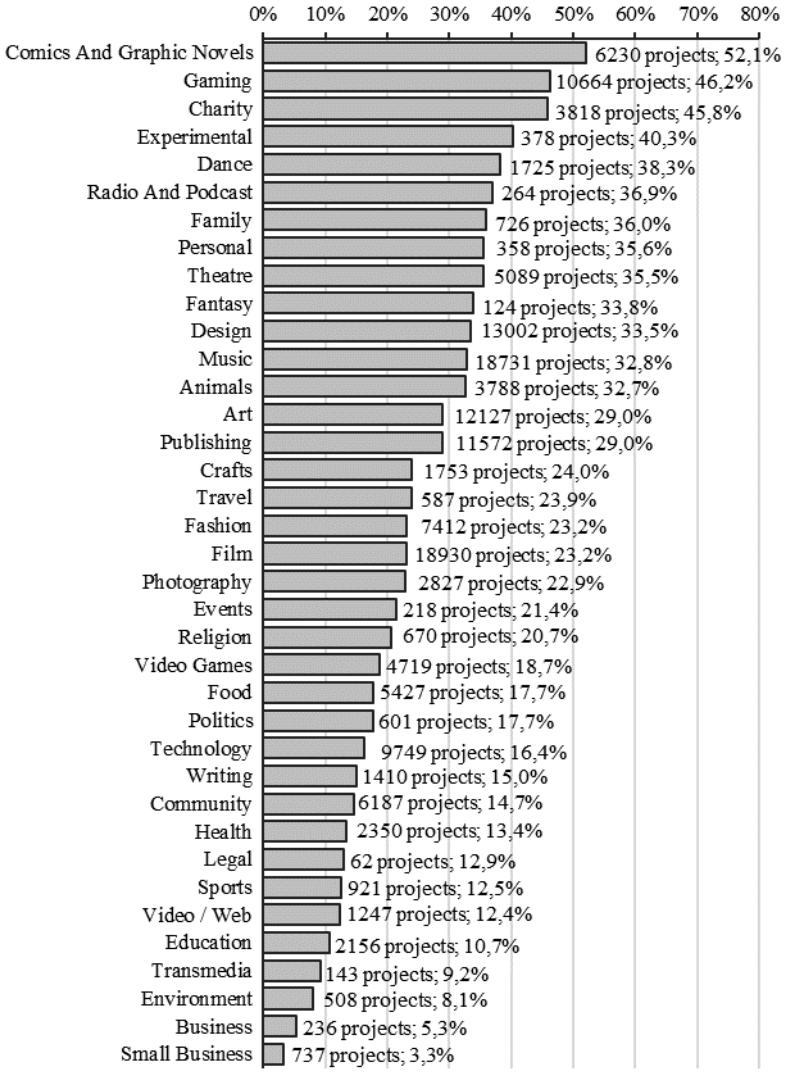

Figure 4.3 Number and percentage of projects fully funded on crowdfunding platforms

Source: [5]. This figure shows the percentage and number of completed projects which ended or reached their target in each category between 01Jan2014 – 28May2019

Equity-based crowdfunding is most attractive for non-technological enterprises that need investments to start or expand their business, but they are not interesting for venture funds and business angels specializing in investments in IT projects [3].

Despite the noted shortcomings of crowdfunding, in recent years, alternative online business financing has been developing at a very fast pace. According to Statista Digital Market Outlook the forecast value of alternative financing (including reward-based and equity-based crowdfunding) will increase on 17% in the next 5 years (Figure 4.4).

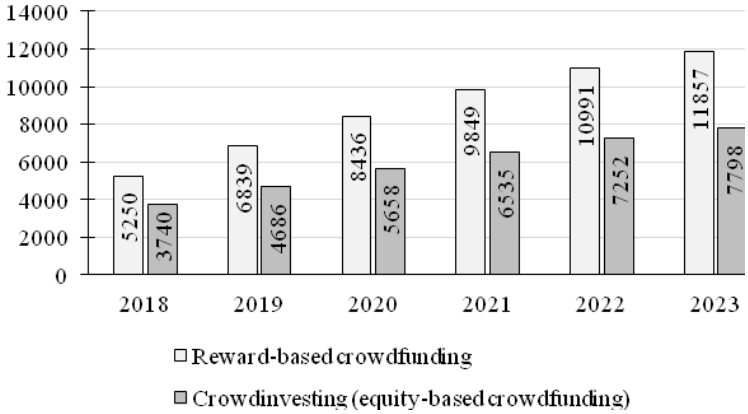

Figure 4.4 Current and forecast value of alternative financing globally, million USD

Source: [4]

Consequently, today the financing of investment and innovation needs of enterprises is mainly provided at the expense of internal sources (self-financing). The share of traditional sources of external financing, including bank loans and government donations, remains essential. However, the importance of alternative finance in the financial provision of innovation activity of enterprises is growing. Alternative finance is implemented through specialized online platforms without the participation of traditional financial intermediaries. The main types of alternative finance, which can be used to raise funds for innovative projects, are crowdfunding and crowdinvesting. The dynamics of the European market for alternative business finance in recent years has shown the effectiveness of using such models and their benefits to finance the investment and innovation needs of businesses in comparison with traditional sources of funding.

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CROWDFUNDING AS AN INNOVATIVE TOOL FOR FINANCIAL SUPPORT OF BUSINESS IN UKRAINE

In the conditions of the emergence of a post-industrial economy, the search for alternative sources of financing for the implementation of the author's ideas and projects becomes especially relevant. One of these alternative sources of funding is crowdfunding, which has several advantages over traditional methods of financing projects and is able to solve a lot of problems.

Today, according to the crowdfunding scheme, inventions and business, creative and charitable projects, and even presidential campaigns are being funded all over the world. In addition, according to the World Bank forecast, in 2025 annual investments in crowdfunding will grow to $ 93 billion [3].

Unfortunately, despite the worldwide recognition of the effectiveness of crowdfunding as a promising model for attracting funding for the implementation of ideas and projects, its development in Ukraine is far behind. However, it is worth noting that this type of financing of various types of projects in recent years has gained popularity in Ukraine, since quite often it is not the only way for talented authors to raise the necessary funds for finance their ideas and projects.

The problem of crowdfunding as a phenomenon of post-industrial economy was studied by such foreign and Ukrainians scientists: I.Vasylchuk, O. Dluhopolskyi, O.Dus, T.Klymko, O.Kulinich, A.Kutuzova, N.Medzhybovska, E.Mollik, V.Ohorodnyk, H.Otlyvanska, Yu. Petrushenko, V.Polishchuk, M.Prazdnykov, V.Prokop, M.Sanin, etc.

In particular, I. Vasylchuk investigated crowdfunding as a manifestation of the market for alternative (social) financing. V. Polishchuk and V. Prokop investigated the foreign experience of crowdfunding project financing. M.Sanin determined the stages of the

development of crowdfunding and proposed its classification. A.Dluhopolskyi analyzed the public sector of the economy and public finances in the era of global transformations. E. Mollik revealed the spread of collective financing. A. Fomenko reviewed the conditions for the development of crowdfunding in terms of financing non-commercial projects in Ukraine.

At the same time, the study of scientific literature shows that the issue of clarifying the possibilities of crowdfunding as a new financial instrument and a promising source of funding remains urgent today and requires further research.

The purpose of the study is to ascertain the possibilities of crowdfunding as an innovative financial instrument and a promising source of financing business ideas and projects in Ukraine.

Crowdfunding is the attraction of funds for the implementation of the project from many individuals. Projects can be cultural, social, commercial, political, creative and personal. The meeting is carried out via the Internet using crowdfunding platforms. Shareholders (sponsors) can receive non-financial remuneration for donations (thanks, souvenir, pre-order of a product, etc.) or financial (royalties, shares, etc.) [1, p. 87].

As M.Prazdnykov notes, even the most talented entrepreneur and author of a revolutionary business idea still needs money, which, today, is quite difficult to find. And here crowdfunding can come to the rescue. This is a way to finance new projects, in which people themselves are source of funds. This scheme is also called peer-to-peer - from member to member. Usually the author of the idea exposes its description and what kind of visualization on a specialized site. Kickstarter, Indiegogo and others can be distinguished from world sites [7].

To start raising funds, a goal must be declared, the price to reach it must be determined, and the calculation of all expenses and the method of financing must be open to the public in free access.

As a rule, fundraising occurs among Internet users on special websites (crowdfunding platforms). Sponsors will receive an intangible reward in the form of a finished product or other gifts that directly relate to the project. Responsibility for the implementation of the project is assigned to the initiator legally [3].

G. Otlyvanska identifies the following main types of crowdfunding: donation based crowdfunding, reward-based crowdfunding, lending-based crowdfunding, equity-based crowdfunding. The author notes that royalty-based crowdfundin, which predicts the future distribution of

income or profits from the project between investors and its founder, is also distinguished as a separate type; hybrid based crowdfunding, which provide for the combination of various types of crowdfunding in one financing model [6, p. 277].

The most common today are two models of collecting money: “all or nothing” and “flexible financing”. In the first case, the author either collects 100% of the amount, or the money is returned to the sponsors. In the second - how much you collect, take it as much. The second option seems acceptable for the authors of the projects, but the first one causes much more confidence among sponsors [3].

There are a number of large and amazing startups that initially grew thanks to crowdfunding in general; today, more than 130 projects have managed to raise from $ 1 million through crowdfunding. Do not stand aside and Ukrainian entrepreneurs. For the first 8 months of 2017, Ukrainian startups at the world crowdfunding sites raised about $ 1,900,000. Language go about 35 projects, of which 27 came out on Kickstarter. Of all Ukrainian startups, 83% raised the necessary funds for the purposes of the companies [7].

Three most successful Ukrainian projects on Kickstarter: Jollylook, an environmental camera for instant snapshots. She managed to raise $ 377,000 instead of the $ 15,000 originally claimed. Senstone is a fashionable pendant for converting voice notes into text. In total, the project raised $ 370,000. UGEARS Hurdy-Gurdy - unique mechanical music models. The project was able to collect more than 290,000 dollars. Crowdfunding is a great way to finance charity and cultural projects, as well as very brave startups. And, knowing how many smart people and smart engineers live in Ukraine - crowdfunding can give life to many garage inventions [7].

An interesting point of view of A. Kutuzovoi, the PR manager of the Ukrainian crowdfunding platform Na-Starte, which notes that in Ukraine there will be no competition in crowdfunding for the next 10 years and believes that the situation will be like that until this funding method gets official status and will not go into economics textbooks.

In his publication in the magazine “Forbs Ukraine”, A. Kutuzova notes that “crowdfunding works only if you put maximum effort into the implementation of the project. As in any other field. Therefore, if you decide to work and develop, you will surely succeed” [2].

In our opinion, the point of view of Olesia Dus is also interesting, because it’s important that the development of crowdfunding in Ukraine and in the world are two completely different processes. The essence is

the same, but the conditions are different. She sees the main problem in the fact that the majority of our fellow citizens are still afraid to participate in the “national” financing of projects. The reason lies not in the lack of money or stability in the country. Basically, fear and distrust of the authors of the ideas arise because of a lack of information [2].

G.Otlyvanska believes that crowdfunding in Ukraine is in its infancy. The author notes that there are many internal factors and characteristics of crowdfunding, which today impede its rapid development in our country, and the few domestic crowdfunding platforms are focused on solving social problems, but the potential of crowdinvesting remains unrealized [6, p. 280].

Today there are various classifications of crowdfunding in the world. We adhere to the point of view of E.Mollik, who distinguishes the basic models of crowdfunding. The first is a model of philanthropy, in which sponsors act as benefactors who do not expect a direct return from their contributions. For the most part, such initiatives are aimed at the implementation of humanitarian, socially-oriented goals or the implementation of projects in the field of art.

The second is the credit model, when funds are provided in the form of a loan with the expectation of a certain rate of return. In the case of microcredit, the lender may be more interested in receiving social benefits from the credited event than in returning the loan amount with interest. In this case, there are also elements of the model of philanthropy.

The third model involves receiving a reward for supporting the project in non-monetary form. In particular, it may be involved in product development, a meeting with the authors of the project, mention in the publication, film and other. On the other hand, this model can consider sponsors as first customers, giving them access to products produced during the project at an early stage, at the best price, or with any other special awards. The preemptive right to sell to their sponsors is a common feature of such crowdfunding projects. Often such projects concern the development of new software, technical innovations and / or consumer products. Also, crowdfunding projects can consider sponsors as investors and provide them with shares or similar documents in exchange for funding provided [4, p. 21].

Separately, it is worth noting an interesting and unconventional point of view of V. Ogorodnyk, who believes that “traditional financial and investment instruments have exhausted their potential” and raises the question of the need to “open a state crowdfunding platform to

modernize the national financial and investment system and renovate the Ukrainian economy" [5, p. 103] and believes that this platform should work "on a budgetary basis" [5, p. 105].

Consider the key features of crowdfunding platforms in Ukraine and abroad, which are summarized in the guidelines for authorities and non-governmental organizations "Fundamentals of grant rating and project management in the public sphere" [1]:

Kickstarter (https://www.kickstarter.com) is the world's largest crowdfunding platform. Founded in 2009. To attract funding for it, representatives of any country in the world can post their plans. But for Kickstarter authorization and making payments you need the status of a local resident (presence of a legal entity in the United States or a local partner).

Anyone who wants to receive funding must register and place the Kickstarter project description in one of 15 categories: art, fun-projects, craft (artefacts), dancing, music, theater, design, fashion, cinema and video, food, games, journalism, photography, publishing and technology.

There are also limitations: you cannot collect money for charity, website creation, cosmetic products, electronic surveillance equipment, glasses, weapons, medical preparations, health, safety and personal hygiene products, advertising-type products. Projects may not offer financial, medical or health advice.

The project owner must specify the period and the minimum amount of funds that must be collected.

If the project has not collected the necessary amount of funds for a certain period, then the money is returned to the donors. Kickstarter has a commission of 5% of the amount attracted, and another 5% when working with it is beneficial to the Amazon Payments system.

Indiegogo (https://www.indiegogo.com) is the second world crowdfunding platform, founded in 2008. There are no restrictions on the type of projects. They can be both technological, entertainment, educational, and simply charitable. Unlike Kickstarter, there are non-geographic restrictions on campaign creation and financing on this platform. You only need to have a legal bank account.

The advantage of the platform is not only in a wider geographical coverage, but also in the possibility of flexible financing (if the project is published it does not receive a given amount in time, the service takes a commission of 9%, if it is gaining - this is only 4%). Recently, the option "endless crowdfunding" has appeared (when the deadlines for the

campaign are not called).

Joby (https://www.ioby.org) is a fairly young crowdfunding web service, founded in 2011 and dedicated to projects in the field of ecology. Unfortunately, this resource is mainly focused on the American audience.

Sponsume (http://www.sponsume.com) is a British crowdfunding service designed for an international audience. The project on this site can publish any author who has a Paypal account. For successful projects, the commission is only 4%, for those who are not succeeding - 9%.

Sponsume offers 24 categories in which you can publish projects to raise funds. A distinctive feature of the platform is that donations can be left in different currencies: American, Australian, Canadian, Singaporean dollars, pounds, euros, Polish zloty, Swedish kronas, Swiss francs (more than 20 different types of currency).

Rockethub (http://www.rockethub.com) can be called an analogue of Kickstarter. It was launched in 2009 and is comparable to the universality of projects that are published. Rockethub, on the other hand, doesn’t work on an “all or nothing” principle. Thus, even if the required amount is not accumulated, the author of the idea can still get the money. Service commission is 4%.

To raise funds for social and charitable projects, we recommend paying attention to the following platforms: Youcaring (https://www.youcaring.com) is the largest platform for raising funds for personal and charitable purposes.

Launched in 2010, Gofundme (https://www.gofundme.com) is one of the world's largest social fundraising platforms. Paypal account required. Commission - 5%.

Giveforward (https://pages.giveforward.com). As on Kickstarter, to post a project on this platform, you need to be a US citizen. Platform commission is 5%.

The Crowdrise Platform (https://www.crowdrise.com/), created in 2010, is dedicated exclusively to charity. Platform commission is 5%.

Fundrazr (https://fundrazr.com) can be used in any country with the ability to send and receive payments through Paypal, and in 25 currencies around the world. The resource specializes in supporting non-state projects.

For those who want to apply crowdfunding to finance their project, resources such as Fundable (http://www.fundable.com), Crowdcube (https://www.crowdcube.com), Seedrs (https: //www.seedrs.com) and

others.

Certain projects can successfully get support on Eastern European platforms. In Poland, it is, first of all, such best sites as Polakpotrafi (https: //polakpotrafi .pl), WspieramKulture (http://wspieramkulture.pl) and Wspieram.to (https://wspieram.to) [1, p. 90].

Spilnokosht (https://biggggidea.com), created in 2012, was the first collective funding platform in Ukraine. Based on the social innovation platform “Big Idea”.

In the February 2013, the second Ukrainian platform Na-Starte (http://na-starte.com) was created [1, p. 91].

According to G. Otlyvanska, the few domestic crowdfunding platforms “Spilnokosht”, “Na-Starte”, GoFundEd have not received sufficient development and are focused mainly on social, cultural and charitable projects [6, p. 279]. However, taking into account the opportunities offered by the use of crowdfunding, such as: project implementation, has no funds for financing; assistance in promoting the project through the media; the ability to centralize and optimize fundraising efforts; growing investor confidence, customer loyalty, enterprise image; the possibility of paying for the use of financial resources after the receipt of positive cash flows from the project implementation, in the near future, crowdfunding agreements can become one of the main instruments for financing innovative investment decisions of Ukrainian enterprises [6, p. 280].

Summarizing the research, we can say that crowdfunding is a promising and at the same time challenging innovative instrument of attracting funding, since it requires considerable effort from the authors of business ideas in the policy of transparency, communication, planning and implementation at all stages of a crowdfunding campaign after it is completed. Crowdfunding helps good ideas that do not correspond to the traditional perception of financiers, to get success and get money thanks to the collective wisdom of the community, with their reasonable financial contributions attached to the creation of a business and convinces the owner of a business idea and society in its prospects. At the same time, a significant disadvantage of crowdfunding is that, in order to attract community support, a business idea must be fully disclosed, as a result of which ideas become vulnerable to interception by competitors.

The development of crowdfunding in Ukraine has its own characteristics, due to the lack of information about Ukrainian crowdfunding platforms and the lack of confidence of Ukrainian society

in crowdfunding. Not the least role in this situation is played by the low income level of the majority of Ukrainian, who are either not ready to donate funds at all, or their contributions are insignificant, which leads to a long period of collecting finance for the implementation of business ideas and projects. Despite the existing problems, we believe, that in the context of globalization, the rapid development of the Internet environment, information technologies, social networks and new forms of financing based on public participation, crowdfunding in the coming years will take a leading position in the market of attract financial resources for the implementation of original biasness ideas.

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FINANCIAL ENSURING MECHANISM OF MANAGEMENT INNOVATIVE DEVELOPMENT OF THE TRANSPORT-LOGISTICS SYSTEM

At present time, the key priorities of development the European transport-logistics system are recognized promotion of innovative technologies. Due to the fact that Ukraine is included in the Trans-European Transport Network TEN-T, these strategic directions are updated in the current conditions of the national economy. They become especially relevant in the context of its modernization and digital transformation. This is in line with the Association Agreement between Ukraine and the EU and the Sustainable Development Strategy "Ukraine – 2020", which envisages the implementation of reform the transport infrastructure.

Based on the SWOT analysis were identified the strengths and weaknesses of operation the transport-logistics system in Ukraine. The key benefits include the fact that Ukraine has the longest railway system in Eurasia and is located at the crossroads of the main trans-European corridors connecting Eastern and Western Europe, the Baltic countries with the Black Sea region. So, Ukraine is a transport hub between Europe and Asia.

Among the weaknesses of development of the national transport-logistics system, you can specify the following:

underdeveloped and outdated transport infrastructure – for example, 95% of roads were broken, 90% of roads were not repaired; only 3% of river potential is used; the share of river transport in the system is less than 0.9% due to river waste and obsolete technologies;

the degree of wear of freight and passenger wagons is more than 85%;

only 3-4% of the population of Ukraine enjoys aviation transport because of its high cost;

20 domestic airports have uncertain outlooks functioning;

mortality on the roads of Ukraine is the highest in Europe;

logistic cost of transportation of products is 40% higher than in EU countries;

insufficient use of modern digital technologies for optimizing information flows in transport logistics.

According to the research [1-4], the successful development of the national transport-logistics system is hampered by a number of barriers that can be attributed to:

institutional, which includes: imperfect legislative and regulatory framework, lack of concept and strategy for the development of an integrated transport-logistics system. In the current legislative and normative legal acts of Ukraine there is no definition of "transport-logistic system". The general principles of its functioning and development are not described. The necessary mechanism of institutional, organizational-economic, financial and informational ensuring for the innovative development of the transport-logistics system in Ukraine has not been developed. Not developed strategic documents for the development of an integrated transport-logistics system based on the creation of logistic clusters with using a cluster approach;

innovative, which covering the insufficient level of innovative development of the transport sphere;

financial, ones that include the imperfect mechanism of investment-financial ensuring due to lack of financing of the state-owned transport sector, insufficient use of public-private partnerships, limited private investment instruments in transport infrastructure objects;

infrastructure, which manifests itself in the form of insufficient level of development of logistics infrastructure. In the Global Competitiveness Rating, prepared by the World Economic Forum [5], Ukraine was in 2017 in 78th place from 137 countries (aggregate score of 3.9), showing a drop of 3 points compared with 2016 and 10 points – from 2014. The worst infrastructure indicator in Ukraine is undoubtedly "the quality of roads" – the 130th out of 137 possible. Unstable remain the quality of the port and aviation infrastructure – 93 and 92 seats, respectively. One of the positive components of the transport infrastructure in Ukraine, according to studies of the World Economic Forum, is the quality of railway infrastructure – 37th place. However, compared to 2014, the value of this indicator has decreased by 12 points;

logistics, due to the inefficient organization of logistics activity of the enterprises transport complex (for example, PJSC "Ukrzaliznytsya"

is able to satisfy the logistic needs of the industry only by 10-30%); lowering the level of service and quality of logistics services; reduction of volumes of cargo transportation by different types of transport.

All this is confirmed by a statistical analysis. According to the State Statistics Service of Ukraine, the number of the enterprises transport sphere that engaged in innovation activity decreased by 37% for 2010-2017. The number of enterprises in the transport sphere, which implemented innovative products decreased by 38.5%. The number of enterprises in the transport sphere, which implemented innovation processes, decreased by 23.3%; which introduced innovative types of products – by 29.6%. At the same time, the number of enterprises that introduced innovative types of products that are new to the market decreased by 56%. Their share decreased in 2017 compared to 2010 by 17.4 percentage points – from 46.3% to 28.9% of the total number of enterprises that introduced innovative types of products (Table 4.6).

Table 4.6

Number of enterprises of transport sphere engaged in innovation activity

Years	Engaged in innovative activities	Sale of innovative products	Implemented		
			innovation processes	innovative types of products	*of which* are new to the market
2010	81	65	43	54	25
2011	84	70	37	54	24
2012	90	62	49	53	24
2013	87	72	42	48	23
2014	69	51	33	38	15
2015	61	51	30	42	13
2016	64	57	39	48	19
2017	51	40	33	38	11

Source: compiled according to the data: [6, p. 87, 96, 101]

During the research period there is also a positive trend of innovative development of the national transport-logistics system. Thus, the share of financing of innovative activity of enterprises transport sphere increased by 2.5 percentage points, or from 11.5 to 14% of the total Ukrainian volume. It should be noted that the share of costs for the purchase of machines, equipment and software increased for 2010-2017 by 50.6 percentage points (from 20.6 to 71.2%); external scientific-research work – by 6.2 p.p. (from 1,6 to 7,8%); internal scientific-research work – at 5 p.p. (from 11.5 to 16.5%) (Table 4.7).

Table 4.7

The volume of financing of innovative activity of enterprises transport sphere by directions

Years	Total amount, thousand UAH	including by directions, thousand UAH			
		internal SRW	external SRW	purchase of machines, equipment and software	purchase of other external knowledge
2010	924277,8	106129,8	14656,4	190158,4	7309,1
2011	1125182,2	145417,6	57433,7	292882,8	13430,6
2012	1404802,7	88455,8	58483,4	269416,2	3303,6
2013	1768490,0	138656,2	130873,0	224777,1	5794,2
2014	841515,2	167152,2	370128,0	162091,7	29,2
2015	471636,8	151256,2	73270,6	185940,5	348,0
2016	711357,2	219044,0	105091,4	302215,0	24420,0
2017	1280364,2	211482,8	100266,6	911775,5	195,0

Source: compiled according to the data: [6, p. 90]

The structure of funding for innovative activities of enterprises transport sphere has changed almost every year (Table 4.8). The analysis shows that the share of own funds of enterprises in 2010 amounted to 81.1% of the total financing of innovation activity; funds of foreign investors – 6,6%, domestic investors – 1%. In 2013, the share of own funds amounted to 58.9% of the total volume funding; funds of foreign investors – 28.8%; loans – 2.3%; funds of the state and local budgets – by 0,6%. In 2016, the share of own funds amounted to 82.5% of the total volume financing (in 2014 – 55.6%); the state budget – 1.5% (in 2014 – 39.8%); funds of domestic investors – 16% (in 2014 - 0.3%). And in 2017 financing of innovative activity of enterprises transport sphere was carried out only at the expense of own funds, the share of which amounted to 89% of the total volume.

For 2010-2017, the share of the volume of sales innovative products in the transport sphere increased by 3.4 percentage points, or from 11 to 14.4% of the national volume (Table 4.9).

It should be noted that for 2010-2014 there was a tendency to increase the share of volume sale products, which was new for the market, by 34.6 p.p. and a corresponding decrease in the share of volume sale products that was new only for the enterprise. But since 2015, the opposite situation has begun. As a whole, the share of volume sale products, which was new for the market, decreased for 2010-2017 by 26.4 percentage points, or from 43.3 to 16.9% of the total volume of sale innovative products. The share of volume sale products, which was new only for the enterprise, respectively, increased by 26.4 percentage points, or from 56.7 to 83.1%.

Table 4.8

The volume financing of innovative activity of enterprises transport sphere by directions

Years	Sources of financing, thousand UAH					
	own funds	national budget	local budget	funds of investors		loans
				native	foreign	
2010	749830,0	84,3	–	9439,7	61160,5	392,6
2011	852368,8	54461,3	–	–	–	5160,0
2012	764281,9	37522,1	–	–	262704,1	158567,8
2013	1040983,4	11328,8	10504,7	–	509689,3	40776,5
2014	467494,0	334530,5	–	2504,7	–	–
2015	402691,8	–	–	68945,0	–	–
2016	587002,9	10375,1	–	113979,2	–	–
2017	1139854,8	–	–	–	–	–

Source: compiled according to the data: [6, p. 93]

Table 4.9

Volume of sale innovative products

Years	Total volume of sale innovative products, thousand UAH	Including in the transport sphere, thousand UAH	Share in the national volume, %
2010	33697574,4	3701295,4	11,0
2011	42386722,5	2721190,5	6,4
2012	36157725,6	4531616,3	12,5
2013	35891639,7	7039512,1	19,6
2014	25669001,9	2310615,2	9,0
2015	23050092,9	2187241,3	9,5
2016	20382168,9	2371532,0	11,6
2017	17714244,9	2555822,7	14,4

Source: compiled and calculated according to the data: [6, p. 103]

According to the State Statistics Service of Ukraine, the share of volume capital investment in the development of transport and warehousing has decreased for 2010-2017 by 1.9 percentage points, or from 10.3 to 8.4%.

The volume of direct investments in domestic enterprises in the sphere of transport and warehousing decreased in 2017 compared to 2010 by 32%, or from 46293.5 to 39144.0 million dollars USA. It should be noted that direct investments in this area make up a small share in the total Ukrainian volume. In 2010-2017, the share of direct investments in transport and warehousing decreased by 0.7 percentage points, or from 3.7% to 3%.

During 2010-2017, were taken to positive steps provide financial ensuring for the development of the transport-logistics system in Ukraine. Thus, the volume of capital investments in transport and warehousing in comparable prices increased by 57.3%, or from 16972.1

to 26694.8 million UAH. This is due to an increase in the volume of direct investments in the development of land and pipeline transport by 154.8% (from 5923.9 to 15092.3 million UAH), water – by 77.1 (from 136.2 to 241.2 million UAH), aviation – by 56.5 (from 518.1 to 810.7 million UAH), warehousing and auxiliary activities in the transport sphere – only 1.5% (from 10393.9 to 10550.6 million UAH) [7, p. 12, 13, 16; 8, p. 363, 364, 402].

As can be seen from the analysis, the structure of capital investments in transport and warehousing has changed. Thus, in 2010 significant part was a capital investment in the development of warehousing and auxiliary activity in transport sphere (61.1%); in the second place – the share of capital investments in the sphere land and pipeline transport (34.8%). And in 2017, on the contrary, more than half were capital investments in the field of land and pipeline transport (59.2%), and then – capital investments in the development of warehousing and auxiliary activity in transport sphere (36.6%).

It should be noted that the share of capital investment in the development of land and pipeline transport has increased by 24.4 percentage points, or from 34.8 to 59.2%, and aviation – by 0.3 p.p, or from 3.2 to 3.5%. The share of capital investments in the development of warehousing and auxiliary activity in transport sphere decreased from 61.1% to 36.6%, or by 24.5 p.p., while water transport – from 0.9% to 0.7%, or by 0.2 p.p. [8, p. 363, 364].

The growth of the share of capital investment in the development of land and pipeline transport is due to an increase in the share of capital investment in the sphere of freight rail transport by 20 percentage points (from 30.9 to 50.9%) and freight motor transport – by 2.2 p.p. (from 17.7 to 19.9%). The share of capital investment in the development of pipeline transport was decreased for 2010-2017 by 16.2 p.p., or from 27.1 to 10.9%.

In the structure of capital investments in the development of water transport was observed the following tendency: the share of capital investments in the sphere of freight river transport increase by 73.6 percentage points (from 14.2 to 87.8%), and in the sphere of freight maritime transport decreased by 5, 9 p.p. (from 17.8 to 11.9%) [7, p. 13; 8, p. 359].

In order to increase the efficiency of the innovative development of the transport-logistics system in Ukraine has already begun work in this direction. For example have been developed a number of infrastructure projects in the transport sphere, which have national and regional

significance. Among them: the construction of a four-way transport highway, which will connect the two ports – Odessa and Polish Gdansk (2017-2021, cost – 82.8 billion UAH); motorway H-31 Dnipro-Tsarichanka-Kobelyaki-Reshetilovka (2017-2021, cost – 17.7 billion UAH); the extension of the third metro line in Kharkiv (2019-2022, cost – 12 billion UAH); completion the construction the metro in the Dnipro (2017-2023, cost – 9.48 billion UAH); electrification railway line of the Dolinska-Mykolaiv-Kolosovka (2019-2023, cost – 9.45 billion UAH); International airport Odessa (2017-2022, cost – 3.6 billion UAH); reconstruction and overhaul of the section of the road H-08 Zaporizhzhya-Mariupol (2018-2022, cost – 2.8 billion UAH); International airport Bila Tserkva (2019-2023, cost – 1.5 billion UAH).

The developing a set of measures to improve transport infrastructure objects in Ukraine will help to obtain the effect, namely:

building of roads, in particular international roads, will allow to increase the rates of freight and passenger traffic through Ukraine, and as a result – increase the annual GDP by 3-4% and the volume of revenues to the state budget;

participation in large-scale infrastructure projects will ensure attraction of foreign and domestic investments;

building and maintenance of roads has a multiplicative effect on other types of economic activity – production of cement, metal, machinery, bitumen, equipment and related services. According to researcher M. Zandy, the multiplicative effect of every dollar spent on infrastructure projects is 1.59 dollar USA;

decreasing the level of competitiveness of domestic goods and services on foreign markets, decreasing the delivery time of freights.

Promising, from the point of view of the scientists of the National Academy of Sciences of Ukraine, is the introduction of the technology “Transport of the fifth generation”, namely the developing of the project “High-speed transport Hyperloop for the short-term period in Ukraine”. In order to implementation the project was signed Memorandum of cooperation between the Dnipro development Agency, the Platform for the development of innovations, the Innovation Park UNIT.City, the SE PA “Pivdenmash” and other organizations. The next step is to implement the project on the basis of the Center of transport innovation – Transport Tech Hub, whose main purpose is to combine all the technologies of partners to get the most effective innovative solutions in the transport sphere.

According to experts of the Ministry of infrastructure of Ukraine, 39

infrastructure projects are strategically important, which are provided by the National transport strategy Drive Ukraine 2030 and included in the indicative plan for the building of the Trans-European transport network TEN-T. The volume funding for these projects is over 4.5 billion EUR. The plan was prepared by the EU and the World Bank by purpose to develop transport links within the program “Eastern Partnership”. The implementation of 39 projects will significantly strengthen the infrastructure integration of Ukraine into the EU.

Planned use of funds for budget programs in the transport sphere in the amount of 1.4 billion UAH: support for the implementation of the transport strategy of Ukraine (758.1 million UAH or 56.1% of the total volume financing); ensuring the implementation of infrastructure projects (10.6 million UAH or 0.8%); maintenance of the operational safety of navigable gateways, inland waterways, including dredging works (39 million UAH or 2.8% of the total volume).

Planned the key source of financing should be that external investment. In 2017, were raised 1 billion EUR of EBRD loans for transport sphere development projects in Ukraine: 400 million EUR for public transport; 300 million for the electrification of the southern direction. According to the Ministry of infrastructure of Ukraine, by 2030 transport-logistics system of Ukraine needs 50 billion EUR.

Based on the foregoing, one can come to this conclusion. To intensify the innovative development of the transport-logistics system in Ukraine, firstly, it is necessary to develop and implement a financial insuring mechanism. Under it, it is proposed to consider a set of principles, instruments, functions, methods and tools aimed at decrease the cost level of organizing the processes of logistic activity and transport services. The mechanism is interconnected by a set of economic relations, principles, methods and forms of organization of processes of logistic activity of economic entities.

The components of the financial insuring mechanism for the innovative development management of the transport-logistics system are:

exogenous and endogenous factors that influence to the development of transport-logistics system;

the principles on which should be based the formation of the transport-logistic system;

functions management (forecasting, planning, organization, accounting, control, analysis, regulation);

a set of instruments that regulating the organization conditions and

implementation of logistics activities, as well as the provision of transport services;

application of financial instruments (venture capital investment, crowd investing, factoring, public-private partnership on the basis of attracting private investments, funds of credit institutions, foreign investment resources, grants of international financial organizations);

means (digital and information-communication technologies, software, normative documents).

Secondly, in the conditions of development the national economy it is expedient to use the best European experience in implementing innovative transport technologies. This allows improving the efficiency of the transport-logistics system and reducing the harmful impact of freight motor transport through the use of electric motors and alternative type's fuels.

In addition, in the EU are being tested innovative logistics concepts, including the use of electronic documents, such as electronic invoices e-CMR. At the same time are being implemented programs for automation of transport systems ITS and the establishment of communication between transport and means of road safety and security in order to provide timely information on road violations and hazardous conditions.

Thus, implementation of the financial ensuring mechanism for innovative development management of the transport-logistics system will contribute to obtaining a synergistic effect, the components of which can be attributed:

magnification of budget revenues by increasing the investment attractiveness level of the economy;

creating new jobs and increasing level employment;

increasing of volumes of freight transportation and freight turnover;

optimization and rational movement of logistic traffic;

lowering the cost of logistic activity due to the reduction of the transport component in the cost of services and the reduction of time for the execution of customs procedures for the clearance of freights;

improving the quality and level of logistics services provided;

creating of a proper transport infrastructure that meets modern business requirements.

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INSTITUTIONAL-ECONOMIC INSTRUMENT OF MODERNIZATION OF THE FINANCIAL MODEL OF MEDICAL INSURANCE SYSTEM (ON EXAMPLE OF KHARKIV REGION)

Today in Ukraine the function a system of organization and financing of health care, this does not provide full access and equal opportunities for the population regarding the use of health facilities. Despite the fact that from January 1, 2018, has commenced its operation the Law of Ukraine "On State Financial Guarantees of Medical Care of the Population" [1], which provides for state financial guarantees to provide patients with the necessary services for medical care and medicines of the proper quality at the expense of the state budget. But the situation regarding the completeness and accessibility of medical services has not changed significantly.

In the scientific literature is widely represented by the world-wide experience of financing and organizing the health care system [2; 3; 4], according to which can be distinguished three main types of financing of health care:

• state (budget), financed mainly from budget sources (Great Britain, Denmark);

• social insurance, which is financed from the target contributions of entrepreneurs, citizens and state subsidies. In this case, funding from extra-budgetary funds prevails (Germany, Sweden, France);

• private, financing comes from contributions for voluntary medical insurance and for the sale of paid medical services (USA, Israel, South Korea, Netherlands).

It should be noted that the state health system works effectively only with sufficient resources in the country, and a private health care system is effective for well-off population groups. Instead, a system based on the principles of insurance medicine, which exists in most European

countries and encompasses 70-100% of the population, functions well under various financial conditions [5]. At the same time, voluntary health insurance exists under any health financing model as an additional source of funds and the provision of a wider range of high-level medical services than compulsory health insurance and the state health care system.

The insurance policy for voluntary health insurance in developed countries provides a real right to choose the insured as a medical institution, and directly to the doctor.

According to the Sectoral Strategy developed by the Association of Ukrainian Cities are defined strategic goals and objectives for quality medical and social assistance for each citizen of Ukraine. These strategic goals are divided into 3 levels [6].

Strategic Goal 1. Creation of conditions for implementation in Ukraine of the system of joint responsibility of public health.

Strategic Goal 2. Introducing new approaches to financing the industry aimed at paying medical services, rather than maintaining a network of health facilities.

Strategic Goal 3. Improving the quality of medical care and the health of the population of Ukraine.

In the case of the implementation of the goals indicated in the Strategy, the whole healthcare sector can obtain the following results:

– creation of an optimal network of medical institutions that provide affordable and quality medical and social assistance:

– reducing financial risks and increasing financial security of citizens in case of illness:

– increasing the efficiency of using financial and human resources in health care:

– reducing corruption in healthcare facilities and increasing transparency and accountability:

– improving the health of the population: increasing life expectancy, reducing morbidity and mortality.

Today, in the development of a comprehensive system of health insurance the main and determining factor should be the combination of public and private health insurance financing, divided into four levels: basic, main, service and social-solidarity.

Taking into account the realities of the present at the regional level it is extremely important to form such a system of health insurance that takes into account all realities of the present in the field of health care, social protection and improvement of the quality of life of ordinary

citizens.

The systemic approach to the development of health insurance involves consideration of health insurance as a single and complex socio-economic system.

Voluntary health insurance (VHI) is a type of health insurance that is able to have a powerful impact on the quality of health services and on the development of the health system in general. However, on the way of PHI development in Ukraine there are a number of obstacles that are caused by certain factors, among them:

- uncertainty of the legal status and prospects of health insurance at the national level;
- insufficient attention of the regional authorities to the development of health insurance;
- low incomes of the population, the level of which directly affects the care of their own health;
- the high cost of insurance policies, that making them inaccessible to a wide range of the insured persons and certain segments of the population.

The main reason for these obstacles is that the Ukrainian population believes that the state should first of all take care of the health of citizens, not themselves. According to the population of Ukraine the main reasons that adversely affect the development of VHI are:

- imperfection of Ukrainian tax legislation, which requires enterprises to pay insurance premiums on VHI from the profit;
- low level of quality medical care and poor conditions for patients (users of services of VHI) in medical institutions, which is caused by the drawbacks and limitations from of state financing of health care institutions;
- not regulating the minimum required amount of medical care;
- lack of necessary experience in carrying out medical insurance in the domestic insurance companies;
- paying insufficient attention to develop of effective marketing strategies for the development of voluntary health insurance, which must cover the product strategy, pricing strategy, strategy for advancing the insurance product.

In addition to the above-mentioned problems in the opinion of the Ukrainian population, there are still national problems, among them:

- political and economic instability;
- low level incomes of the population;
- inconsistent approach to reforming the social sector and health

care system;

− absence of an optimal tax policy that would stimulate the development of health insurance;

− underestimation of the role of non-state financial institutions, etc.

Today there is a certain need for creating the establishment public health system, namely, develop and implementation of a mechanism for the pooling of funds for certain layers of the population which paid under compulsory and private health insurance, develop and implementation of personal medical deposit accounts for medical assistance with mechanisms of share participation of the state for certain layers of the population, coverage by the state of medical costs of people who are not able to deduct, which will allow to preserve the universality the coverage of the medical service all layers of the population. [7]

At the next stage to implement an effective health insurance system in Ukraine it is necessary to change the system of financing public health care of the population. Today there is a very shortfall in budget funds for the development of medicine. In this regard it would be advisable to finance health care with using personal contributions and targeted entrepreneurs' contributions, as evidenced by the experience of developed countries of the world. This will be facilitated by the development of voluntary health insurance.

Today, in the absence of personal health insurance (PHI) in Ukraine, development of VHI is extremely important and should consist of 3 consecutive levels:

− the first level is the develop and implementation of a program of VHI in the region, which should be based on the principle of insurance solidarity, the content of which is that the insured person receives medical care in cases and volumes determined by the insurance contract in accordance with the insurance payment paid;

− the second level – participation of regional budgets in medical insurance programs;

− the third level is the control by the regional authorities on the level of provision of medical care to the person who contracted the VHI.

As already mentioned, within the framework of the development of VHI in the Kharkiv region it would be advisable to create a system of health insurance that would work on issues related to the implementation of the compulsory health insurance (CHI) system and the development of a system of voluntary health insurance (VHI) in the region.

In previous research, we evaluated the development of voluntary

health insurance (VHI) in the Kharkiv region [8]. By combining experts' opinions, among which there were interviews (economists, health workers and ordinary citizens) and the sectoral health care strategy, we identified the main priorities in the development of VHI in the Kharkiv region.

According to the results of the research were established the most influential factors of the national level (external factors) and the regional level (internal factors). Thanks to the results of the research, it is possible to create a modern system of voluntary medical insurance in the Kharkiv region.

In this issue it is very important to choose the main tasks of the VHI development in the Kharkiv region and the entities of their solution. The main tasks at the level of the Kharkiv region can be included:

1) definition of the financing health care system of the region;
2) choice of sources of financing health care of the region;
3) determining the required amount of all types of resources for the functioning health care in the region;
4) choice of the appropriate regulator at the level of the region;
5) choice of funds for accumulation of contributions to the VHI;
6) informatization in the region of the VHI with the help of independent sources of information;
7) forming of a system model of the marketing concept of development in the region.

It becomes obvious that modernization of the sector health care is impossible without attracting funds from the private sector. Only with the combination of financial and organizational efforts of the authorities and business appears the necessary impetus, which makes it possible not only to move from the "dead point" but also to make an innovative breakthrough taking into account the integration of the interests of the state, business and the patient. The form of such cooperation may be public-private partnership in the health care sector.

The social sphere, as no other needs significant financial resources, the introduction of modern management methods, the latest technologies of service providing. The implementation of public-private partnership projects is aimed at realizing public interests, including social ones [9].

In the field of health insurance, especially the VHI, there are certain nuances that need to be processed in the legal, economic, social and institutional.

Combining the opinions of experts on the development of VHI in the Kharkiv region (external and internal factors of influence) and taking

into account its specific features, the improvement of the existing system of health insurance should be carried out in three main directions:

– improving the quality of life of the population in the region and the level of its income for the opportunity to use medical services;

– improving the pricing of insurance services in the field of VHI and increasing the effectiveness of the financial regional IC strategy in the field of VHI;

– increase of employment the population in the region.

The development of VHI in the Kharkiv region, which has a strong industrial and commercial potential will benefit all participants in the interaction to improve the conditions of the VHI. An improved system of voluntary health insurance in the Kharkiv region is provided in Figure 4.5.

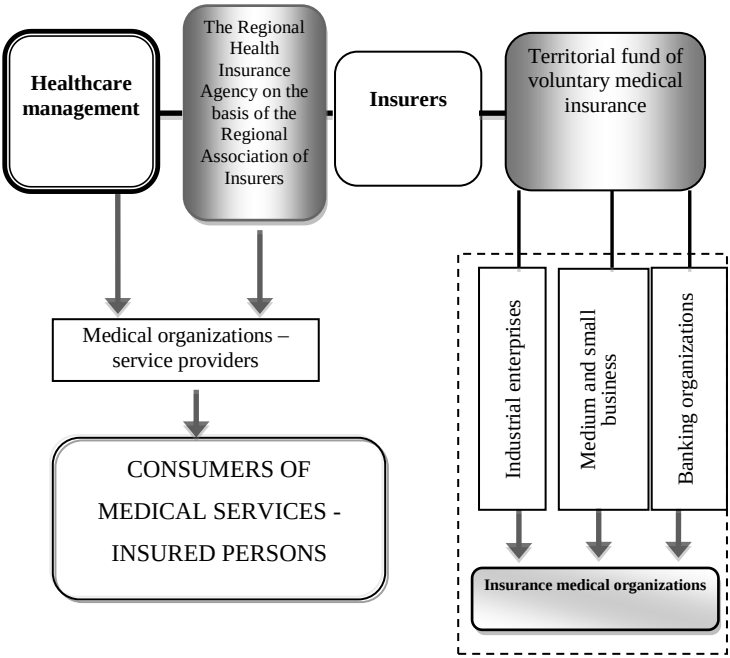

Figure 4.5 Advanced system of voluntary medical insurance of the Kharkiv region (author's development)

The Regional Health Insurance Agency established on the basis of the Regional Association of Insurers is an organization that should have the right to self-government, but the state should adopt basic documents that should regulate the activities of the regional health insurance agency (business plan, annual reports) and has the right to conduct, if necessary, made audit in health insurance agencies.

Medical service providers may be a combination of state and private medical institutions. They in turn will enter into contractual relations with a regional health insurance agency and reimburse them costs for medical services provided to patients (third party payments).

Of course, today in Ukraine the voluntary health insurance is an important type of financial-commercial activity, therefore the interests of insurers are, first of all, to: to profit by maximizing insurance payments and minimizing insurance payouts, forming a balanced insurance portfolio and reducing the cost of medical services, which in turn will be very useful for health care users.

The benefit of VHI development in the Kharkiv region is obvious, first of all, for employers because in the case of concluding a health insurance contract in favor of its employees, it seeks to stabilize the process of reproduction of the labor force and reduce the cost of treatment for employees and the opportunity to combine contributions from the VHI at cost products (services).

It is not a secret to anyone that many medical institutions do not have an interest in the development of insurance medicine in general. However, they always aim at attracting new clients and, in general, getting their regular flow and the maximum level of payment for medical services, as well as being attractive enough, raising prestige and creating a certain image of a health facility. But, unfortunately, today in the domestic market of VHI there are cases of fraud. The physicians and hospital workers, diagnostic centers and clinics can bill for procedures that have not actually been performed, write down medicines and issue documents for a visit by a patient in a clinic. Also, the insured persons can appoint the most expensive treatment, unnecessary medical products and expensive investigations, without which it is possible to do without. There are cases when healthy people make incorrect diagnoses. But, nevertheless, in today's realities the development of a regional system of VHI will benefit physicians in the first place.

Insured persons – health care users are most interested in voluntary health insurance. They get the most benefit from it, because they have a strong guarantee of the provision and payment of medical care, reduce

their own treatment costs, receive comprehensive insurance service that provides all necessary for the restoration and maintenance of health and have the opportunity of preventive treatment under the agreement of the VHI.

For the development of VHI in the Kharkiv region it is expedient to finance insurance companies with preventive measures aimed at reducing insured cases.

Today, the forming by insurance companies of a reserve of preventive measures on public health care is not foreseen at the legislative level of Ukraine. That is, there is a limit to the use of the potential of the preventive function of insurance as a means of influencing the risks in order to reduce the likelihood of their manifestation. Accordingly is rejected the possibility of using the reserve funds for preventive measures for investing in public safety. This is especially true given the lack of budget funds for financing preventive measures on public health care – reducing the risk of morbidity, improving level the health population, reducing the number of insurance cases, etc. In this regard, in the structure of insurance tariffs for health insurance, especially the VHI, it is expedient to introduce a mandatory element "costs for made preventive measures", which will include financing of a consistent and regular medical diagnostics of vulnerable groups of the population in order to identify and timely treat various diseases, as well as in order to prevent the aggravation of chronic diseases and complications, which in turn will reduce the level of morbidity and mortality and, consequently, increase the social efficiency of the voluntary medical insurance (VHI).

A huge role in improving the regional system of the voluntary health insurance of the Kharkiv region is the regional authorities and relevant departments of public health. They should create budget ensuring for this area of health care development in Ukraine and carry out an important control function in the field of development the compulsory health insurance (OHI) and voluntary health insurance (VHI), which today is the only type of health insurance for citizens.

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Chapter 5

INNOVATIVE STRATEGY FOR DEVELOPMENT OF ECONOMIC ENTITIES AS A FACTOR OF THEIR COMPETITIVE ADVANTAGES

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ORGANIZATIONAL AND ECONOMIC MECHANISM OF INVESTMENT ACTIVITIES OF LOCAL AUTHORITIES OF UKRAINE

Formulation of the problem. Attracting investments in the development of territories in order to maximize the provision of social needs, one of the main functions of local self-government in terms of self-sufficient and self-sufficient management and disposal of land for the benefit of the community. This problem was particularly acute in the context of the decentralization reform in Ukraine, in particular, in terms of finding mechanisms for implementing the financial capacity of the united territorial communities. The united territorial communities should form a legal and favorable organizational mode of investment that takes into account the characteristics and efficiency of investments for investors as well as for the territorial communities.

Analysis of recent research. Issues of investment activity of enterprises, management of investment projects, as a concrete form of investment in terms of the most effective investment are widely represented in the scientific economic literature. However, the existing methodological provisions for the management of investment projects

are considered from the point of view of the entrepreneur, for which the effect of the project is profit. The difficulty arises when it is necessary to balance private and public interests in the process of implementing an investment project in the territory of a territorial community. There is no methodological tool for a mechanism that would determine the legal, organizational and economic foundations of investment activity of local self-government bodies and ensure the interests of the investor-community-government.

The aim of the article is to develop the organizational and economic mechanism of investment activity of local self-government bodies. This solved the problem:

- to analyze the legislative and legal provision of investment activity of local self-government bodies;
- to substantiate the principles and criteria for the selection of investment objects;
- to determine the criteria for assessing the effectiveness of investment activities;
- to substantiate approaches and algorithm of realization of organizational and economic mechanism of investment activity of local self-government bodies.

The terms given in the article are used in the following meanings:

Local self-government body – an elective body consisting of deputies and in accordance with the law is empowered to represent the interests of a territorial community and to take decisions on its behalf.

Investments – all types of property and intellectual property that are invested in objects of entrepreneurial activity and other kinds of activity, which results in the creation of profit (income) or social effect is achieved.

Investment activity – a set of actions of citizens, legal entities and the state regarding the realization of investments.

The object of investment activity – real estate, in particular, a land or territory, or a set of land plots owned by a territorial community or territorial communities, legal entities and individuals, and in the case of the identification of territories of common interest - at the disposal of local state administrations.

The most effective use – this is a technically possible variant of the use of an investment object that is competitive in the market, legally permissible and economically feasible, in which the maximum value of this object is reached [9].

Investment project – a systematic set of measures aimed at achieving

clearly defined goals for the development of specific territories (sectors). Implementation of the investment project is based on the project documentation – documents (system of documents) containing the justification of economic expediency, volumes and terms of development of investments (capital investments), including necessary project-budget documentation, developed in accordance with the current legislation, as well as description of practical actions for attracting the investment object activities in the socio-economic and business turnover (business plan). The project documentation must contain the initial data for assessing the effectiveness of the investment project, namely: information on the technical, technological and organizational characteristics of the project. Output materials, in particular, a sketch project (in the case of building design) and tasks for investment planning are provided by the initiator of the investment project [5, 8].

Project participant – the subject of investment activity (investor) that participates in investments, including the territorial community as a whole.

Efficiency – the fundamental category of economic science. Economic efficiency should be understood as the ratio of the effect of the sale to the cost of its implementation. With regard to territories, it is advisable to focus on the socio-ecological and economic efficiency, when the most important are the cultural and social (including political) and environmental components for the authorities and residents, and for the investor it is the maximum profit to be obtained.

Presentation of the main research material. ***Legislative support of investment activity of local self-government bodies.***

The issues of investment activity of local self-government bodies are regulated by the Laws of Ukraine «On Investment Activity», «On Local Self-Government», the Land Code of Ukraine, and other normative acts. Positive should be considered the presence in the legislation of Ukraine of the norms regulating the inclusion of land in the territorial community in the economic turnover of the authorities from the point of view of public utility. The Law of Ukraine «On Local Self-Government», which stipulates that the local self-government body is obliged to «decide in accordance with the law the issue of regulation of land relations» (Part 21 of Article 43 of the Law «On Local Self-Government in Ukraine»), important for the affected issue. In addition, in 2008, a number of changes were made to the current legislation, in particular, to the Land Code of Ukraine, which allow to consider the transfer of the land plot to the property (use) from the point of view of its investment attractiveness and taking into account the

interests of the territorial community and the state as a whole. First and foremost, we refer to parts 1 and 2 of Article 136 of the Land Code of Ukraine, which are envisaged accordingly to:

1. prohibition «to include land plots intended for development in the list without taking into account in cases stipulated by law, results of public discussion of urban planning justification of object placement»;

2. obligatory consideration of marketing research, investment attractiveness, appeals of citizens and legal entities regarding building intentions.

In our study, we proceed from the fact that the local self-government body is the initiator of the development of an investment project, as a way of attracting investment in the development of the territory. He carries out all the work on the selection of investment objects, bears all the costs associated with the preparation and sale of land in the auction, makes proposals for investment commitments for the investor, namely, «that would like to get the village community». The basic mechanism for attracting funds to the village (settlement) council is to determine the criteria for selecting land as an investment object for the formation of the list for sale at the auction, taking into account the investment attractiveness of such facilities.

2. Principles and criteria for selection of investment objects. The result of the investment activity, the object of which is the land plot, is the achievement of the most effective use and observance of conditions of sustainable land use of this land or territory. The basis for determining the most effective use of the object of investment activity is the fact that the revenue from management of a certain territory depends on the effectiveness of its use in economic circulation. When selecting land, it is necessary to take into account these conditions. Taking into account the foregoing and referring to the norms of legislation, we consider that the analysis of the most effective use of the object of investment activity should be carried out in stages in the following sequence:

- analysis of alternative variants of use, depending on the market situation and prospects for its change;
- analysis of the legal validity of use;
- analysis of the technical (physical) possibility of use;
- analysis of the economic feasibility of implementing an investment project;
- assessment of the effectiveness of the implementation of the investment project.

Analysis of alternatives to the use of an object is directly related to the collection of information and the search for options for making an objective decision on the use of an object. Therefore, the analysis of usage options will require market research on the real estate market. As a rule, such an investigation involves a market review, working with the proposals in the segment, in relation to the study [8]. Therefore, the analysis of alternatives to the use of the territory should be carried out in directions:

- analysis of markets by segments in which the economic turnover of the territory will be carried out;
- analysis of the most effective use.

The analysis of markets by segments in which the economic turnover of the territory will be carried out is carried out in accordance with the methods of marketing research, which involve the identification: a) options for using the territory and their dependence on the market situation; b) territorial features of the markets: local - within the settlement, regional - within the region, state and international (if necessary).

Similar studies should be carried out on a territorial basis, taking into account the scale (studying the areas of the location of the territory, its environment, the prospects of environment change, the remoteness of the area to the nearest strategic objects - the choice of such objects will depend on the belonging of the study area to a specific economic zone (residential, recreational, industrial) and from the strategic location of the object (proximity to the settlement, city center, border, port, highways of the city-forming value, etc.). Based on the results of marketing research it is expedient to determine all possible variants of the use of the territory and market conditions for their implementation as an investment project.

After identifying alternatives to the use of the territory, its legal feasibility is studied in accordance with existing urban planning conditions and restrictions on the development of land plots.

Among the main factors that are taken into account are:

1. Destination purpose of the territory. The purpose and the opportunity are considered. The cost of works for changing the intended destination is credited.

2. Influence of the location of the territory near strategic objects that can improve or restrict its use.

3. Restrictions on the use of the territory that may be specified in the contract of sale (lease). In accordance with the legislation [6] the

restriction on the use of the territory is established by way of:

- prohibitions on sale or other alienation to specified persons within the established term;
- prohibitions on the transfer of a lease (sublease);
- conditions for the commencement and completion of construction or development of the land plot within the prescribed time limits;
- prohibitions on the implementation of certain types of activities;
- a ban on the change of the intended purpose of land, landscape and appearance of real estate;
- the conditions for the construction, repair or maintenance of the road, road sections.

4. Ability to extend the lease term if the lease term is small (up to 10 years).

5. Territory belonging to the zones of the special regime of land use (protection zones, zones of sanitary protection, water protection zones, zones of special regime), as well as legal and economic status of adjacent territories.

6. Installed easements that affect the use of the site, or require additional costs for its maintenance.

The result of the study of the legal feasibility of the use of the territory should be the value of the change in the impact of the restrictions (both positive and negative), as well as the impact of these changes on the total value of investments, or economic indicators of the project as a whole. Thus, "discarded" variants, in which the use of the territory is legally inadmissible and/or can substantially change the sale price of the land.

Analysis of technical (physical) capabilities of use is to determine the optimistic variant of development (building) of the territory. For example, existing engineering and geological and natural conditions may make the use of the land in a certain way. The main task of analyzing the technical feasibility of use is to identify all physical factors that are inherent in the territory that lead to restrictions in its use and / or can significantly increase the costs of its development. Accordingly, the main criteria for the technical feasibility of using the land are:

- dimensions and shape of the plot;
- the presence of restrictions of a natural character (waterlogging of the territory, structure of soils, relief, etc.);
- the presence of artificial objects in the territory and the possibility of their transfer (power lines, pipelines, etc.);

- access roads to the territory;

- dangerous geological processes and the possibility of their prevention; the accessibility of the territory's facade to the highways of the city-forming significance.

The most influential factors in the analysis of technical capacity are the size and shape of the territory. It is recommended to consider the possibility of expanding the area and forming a proportional form of the territory; at the same time, attention should be paid to the identification of the excess area of the territory for the rational use of it.

Consequently, the analysis of the use of the territory makes it possible to identify and distinguish the qualitative and quantitative characteristics of the territory and, as a consequence, consider it as an object of investment activity in terms of the economic feasibility of implementing an investment project.

Estimation of the effectiveness of the investment project. The economic feasibility of implementing an investment project is recommended to be evaluated according to the following types of efficiency: overall project effectiveness and effectiveness of project participation. The project's overall effectiveness is assessed in order to determine the investment attractiveness of the project for its participants and the search for funding sources. It includes social, environmental and economic components.

The social component of the effectiveness of an investment project takes into account the socio-economic implications of implementing an investment project for the community as a whole, including both direct results and costs of the project, and indirectly: costs and results of adjacent territories and sectors of the economy, environmental, social and other external economic effects. Indirect effects should be expressed quantitatively in the presence of relevant normative and methodological materials. In some cases, when these effects are significant, in the absence of these documents, the use of evaluations by independent qualified industry experts may be used. if the mediated effects do not allow quantitative calculations, it is advisable to make a qualitative assessment of their impact. These provisions also apply to the calculation of regional efficiency. Environmental impacts should be assessed in accordance with the existing methodology «Environmental Impact Assessment».

To achieve social benefits, it is important to set priorities arising from the features of the territory. In other words, the territorial community should clearly define what it would like to receive. The

study found that the need for workplaces, infrastructure facilities, public service facilities are among the top priorities for the development of the territory of the suburban area. The investor carries out the infrastructural arrangement of the territory only within the limits of 15% of the total cost of investments. This norm is determined by the legislation. Depending on the social and environmental consequences of the implementation of the project for the territorial community, the authorities may adjust the sale price of the land in order to reduce it, establish additional privileges or vice versa, defined conditions for the development of the land plot by the investor. It should be noted that today's situation with the sale of land in the auction of property excludes the following two important features:

- firstly, in the case of sales, budget revenues are increased only by the amount of revenue from auction sales;
- secondly, it does not take into account such an important property as the flexibility of management in the process of project implementation, namely the possibility of adjusting the sale price.

An economic component of the effectiveness of an investment project reflects the financial implications of the project implementation for a participant (group of participants) who makes investments and fully utilizes its results. The indicators of project effectiveness as a whole characterize from an economic point of view the technical, technological and organizational design decisions of its implementation. It is also necessary to take into account the main principles for assessing the effectiveness of an investment project that does not depend on its technical, technological, financial, sectoral or regional features, namely:

- consideration of the project throughout its life cycle (accounting period) - from conducting pre-investment research to the termination of the project;
- simulation of cash flows, which includes all project-related cash receipts and expenses for the accounting period, taking into account the possibility of using different currencies;
- taking into account the factor of time in various aspects, including dynamics (time change) of project parameters and its economic environment;
- taking into account the impact on the efficiency of the investment project of working capital, which will be used for the functioning of the production assets created in the process of implementation;
- taking into account the influence of inflation (changes in prices for different types of products and resources during the project

implementation period) and the possibility of using several currencies during the project implementation [8].

The calculation of *the effectiveness of participation in the project* is carried out in order to verify the possibility of developing an investment object and the interest of all participants in the investment project. The effectiveness of participation in the project includes:

- the effectiveness of investor participation in the project;
- project effectiveness for the territorial community budget.

An analysis of the economic effectiveness of the implementation of an investment project is carried out by calculating the integrated financial indicators, namely: investment amount; net profit, which generates a project for the analyzed period (life cycle of the project); payback period; coefficient of return on investment; net present value; internal rate of return; profitability index. The definition of integrated indicators allows us to give examples of the most effective use of the territory to a single base of comparison and selection of the option with the most optimal financial indicators. It is recommended to consider the variant of use as cost-effective when the implementation of an investment project provides income that is at least above the normal (minimum) rate of income for a given segment of the market.

2. Organizational and economic mechanism of investment activity of local self-government bodies – is the integrity, whose properties are manifested by the interaction of such components:

- legislative and legal provision of interaction between project participants;
- organization of the project implementation, which should ensure (including possible changes in the conditions of the project implementation) the necessary synchronization of the activities of individual participants, the protection of the interests of each of them and timely correction of their subsequent actions for the successful completion of the project.
- economic obligations of the participants, which they will accept in connection with the implementation or interaction in the implementation of the project, guarantees of such obligations and sanctions for their violation;
- terms of financing investments, in particular, the main terms of credit agreements (loan terms, interest rate, periodicity of payment of interest, etc.);
- special conditions for the circulation of products and resources between project participants;

- measures on mutual financial, organizational and other support (provision of temporary financial assistance, loans, delayed payments, including measures of support from local budgets);
- the main features of the accounting policy of the participating enterprises, including foreign enterprises-participants.

The algorithm for implementing the organizational and economic mechanism of investment activity covers the following stages:

The first stage - purpose setting. Purpose – inclusion of land in economic turnover. Sources of funding for all work on the selection of investment objects are local budgets.

The second stage - analysis of the possibilities of the goals. It is carried out on the basis of analysis of the most effective use of the object of investment activity. The analysis of the most effective use is carried out on the basis of valuation of property in accordance with the current legislation. Such an analysis should be carried out on the basis of the project documentation at the stage of the feasibility study of the investment project. The results of the analysis can be discussed at public hearings as separate basic documents. According to the results of this analysis, we recommend the formation of economic obligations of project participants, followed by the fixation in the constituent documents and agreements between the participants in order to achieve the economic effects of the project and the ability to measure the costs and results of each participant.

The third stage - project implementation. This stage involves: economic and social monitoring of the project, ensuring public participation.

Public participation as one of the important stages of realization of the investment project is ensured by taking into account the appeals of citizens and legal entities regarding the intentions of the development and registration of these applications in the register of potential investors. It is recommended to create this register with the indication: full name and details of citizens or legal entity; technical and economic information about the object of investment; conditions of participation of subjects in the development of the territory. It is recommended to use the information in this register when analyzing the most effective use of an investment object.

Monitoring of the implementation of conditions for participation in the development of the territory is recommended to be considered as control of the effectiveness of the investment project. For this purpose, in agreements on investment activity, one of the obligations of the

investor is to submit to the local self-government body or its authorized body consolidated information on the implementation of the investment project in stages or events of the project. The result of monitoring should be measures of execution of economic obligations under investment contracts, or, in the event of non-fulfillment of these obligations, measures of influence (sanctions, fines, lawsuits, termination of contractual relations, etc.).

Conclusions. A methodological approach has been developed for the implementation of an investment project within the territory of a territorial community, which should ensure transparency in the relations «community-power-investor». It is established that the sale of land in the form of an investment project is one of the main mechanisms of socio-economic development of the territory and the provision of individual and social needs. The implementation of this method will require: marketing research, on the basis of which determine all possible uses of the territory and market conditions for their implementation; analysis of legal feasibility and technical feasibility of using the territory; calculation and simulation of cash flows, which include all project-related cash receipts and expenses for the accounting period for participants of the investment project, taking into account all the most significant consequences of the project implementation. The recommendations in the article provide for the authorities the organizational and economic foundations of investment activity as a holistic and systemic section of state regulation and administration.

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DOMAIN OF INTERNAL AUDIT OF INNOVATIVE ACTIVITIES OF BUSINESS ENTITIES

Introduction of internal audit as a form of control over innovation will contribute to the successful implementation of the innovative approach to the development of Ukrainian business entities.

What was done earlier The researchers discloses the methodological, organizational, legal aspects of conducting an internal audit of Ukrainian business entities [14], grounded the conduct of commercial and technological internal audit of innovation [6] known and used by internal audit standards [4], the role of innovation provisions in reaching the goal [5,7].

The purpose of the article To certify the innovative activity of business entities as a subject's area of control. Innovative activities enable the business entities to expand significantly and realize its own capabilities and strengthen market benefits.

The total amount of financing for innovation activity in Ukraine [15], increased from UAH 8045.5 million. in 2010 to UAH 13813.7 million. in 2015 (by 72% compared to 2010) to UAH 9117.3 million. The share of implemented ideas from all of them in Ukraine does not exceed 20%, in Poland - about 30%, while in Sweden - 45%, the USA - 52% and in Japan - 68%, [13, c. 185]. Therefore, there is a need for the wide development of innovations in Ukraine.

Innovations constitute an overwhelming part of the business entities internal business processes. The competitive advantages of the business entities that implements innovations are the growth of cash flow within the business entities from the introduction of innovations, the opening of low-cost, resource-saving technological processes, effective measures on environmental protection, increase of staff employment, strengthening of employee safety, solving social issues, introducing consumer protection / product safety, the formation of economical production, cost reduction and quality management, etc. The preface of innovations promotes the rapid transition of technologies to a new level of management.

Innovative enterprises substantiate and develop business plans of innovations, develop forecasts, develop a portfolio of innovations, implement innovative projects, create financial and non-financial indicators of innovation activity, keep relevant records of innovation activities, prepare, analyze and use reports on innovation activities, etc. The conduction and effectiveness of innovations testifies to the progressive management and increase of competitive advantages of the business entities, which causes the introduction of proper management at different levels of the hierarchy.

At the strategic level of management, methods of qualitative assessments are used, a comparative analysis of trends in innovations, including international, there is constant control over the achievement of the strategy [7, p. 23], control and evaluation of the implementation of each business unit's strategy as a new corporate governance role [5, p. 156]; at the operational level, methods of quantitative accounting, analysis of the state of innovation projects are being used, operational control systems are being introduced [7, p. 23]. At the management level, the planned tasks, implementation of the innovation program and thematic plans are considered; an important role is played by the bodies of internal control [6].

Dangers of low level of innovation activity (risks) can be called the advantages of short-term measures on strategic, lack of control when entering data in planning and budgeting and reporting on innovation activities, imitation of innovations, misuse of funds, etc. To deal with such risks is only a reliable system of management that includes control and audit.

Innovation activity at the business entities is regulated by corresponding planning and reporting documents, a certain strategy is formed and operational measures are implemented. On the basis of

primary information, separate reports of the business entities are made about innovations. Useful information on business entities innovations is included in the company's business notes, for example, in the notes to the annual financial statements and other reports. Thus, the Report on the Management of Business entities [10] provides for a special section: research and innovation, which provides information on research, innovation and development carried out by the business entities; the cost of such measures and their impact on the activities of the business entities.

The form of the statistical survey No. 1NN "Investigation of the innovation activity of the enterprise for the period 2016 - 2018" is submitted with the purpose of determining the state of innovation activity, introduction of innovations and obtaining information on the prospects for the development of innovations and factors that impede the business entities to develop and implement innovations. The information on the results is highlighted forms of innovation activity.

In the general information about the enterprise-innovator in the form of statistical survey № 1NN the outline and place of innovative strategies in the enterprise's activity are revealed, namely, directions of the strategy of development of the economic activity of the business entities: attraction of new groups of consumers / pleasure existing consumer groups; introduction of absolutely new goods and services / improvement of existing goods; cost reduction / quality improvement; expansion of product line / attention on one or several key products; submission of applications for an invention, industrial design, registration of marks and copyright, use of commercial secrets; conducting transactions with objects of intellectual property rights; purchase of maintenance services, purchase of machines, equipment, software; use of information sources and modern methods of organizational work, etc. [1].

Innovative activity of business entities for surveys of innovation activity in the economy of Ukraine according to international methodology has a certain tendency for growth. Thus, the total number of surveyed enterprises in 2014-2017 was 27,726 units. In comparison with 27992 units in 2012-2014 (growth by 1%) [15].

The informative section of the form №1NN - «Innovations» specifies the planning of innovations, the status of development, implementation of innovation plans and estimation of expectations including on costs; new products for the market / for business entities; level of novelty, degree of importance, significant technological changes, improvement,

technologically advanced products and processes; new solutions, improvement of existing technologies; innovations can be introduced both at the enterprise-innovator, and realized on the market; products can be developed independently or together with other business entities, etc. The reporting data is needed to manage innovation [1].

Table 5.1 reveals the nature of the main components of the innovation activity of Ukrainian business entities.

Table 5.1

Contents of the main components of innovation activity

Ingredients	Content
Forms of innovations	completed, extended, suspended
Varieties of innovation activity	Innovative activities, innovative products, innovative products, innovative processes, sales innovations, marketing methods of innovation, new organizational methods, innovation cooperation, etc.
Assets	Licenses, copyrights, intellectual property rights
Capital Investments	R&D, R&D of internal / external research, innovation costs - acquisition of machinery and equipment related to the introduction of innovations, the acquisition of other external knowledge from other business entities s or organizations, the acquisition of new technologies
Costs related to the implementation of innovations	Preparation of production for introduction of innovations, design, training, marketing, organizational and marketing innovations, etc.
«Horizon 2020» program	Innovation Support Tools: Innovative Vouchers, Mobility Plans for Science and Industry, Government Research and Industry Cooperation Projects
Financial support to the subjects of innovation activity	Full interest-free lending, partial interest-free lending, full or partial compensation of interest paid by the subjects of innovation to commercial banks; provision of state guarantees to commercial banks, which carry out lending of priority innovative projects; property insurance for the implementation of innovative projects

Sources: own development according to [1, 9, 14, 17, 18, 16]

Effective management of innovations involves the introduction of planning, organization, control of innovations in business entities internal standards (development of regulations on innovations, order of accounting policies of the business entities, etc.) key concepts of innovation activity of the business entities: whether the innovation is

orientated towards the consumer; which is considered to be the fact of the introduction of innovation or use in the production process (embodied form) (certificate, act of sale, etc.) who decides on implementation / extension / termination / innovation; who has the authority to confirm the planned / achieved levels of innovation, to establish novelties of decisions, to distinguish truly innovative processes from the usual expansion of the capacity of already existing products; who is responsible for the success and is responsible for a commercially unsuccessful innovation; who is responsible for technological audit innovations, which control mechanisms are used: control of spending money, control, control over the implementation of plans, etc.; how the position of the business entities in the innovation market is determined; who is responsible for pointing out the demand for innovation and satisfaction of innovation innovators of the innovation demand business entities, etc.

Accounting is the main source of information about innovative projects and the results of business entities innovation. The objects of the accounting of the stages of the innovation process are reflected in the investment and operational activities of the innovating business entities in the accounts of capital investments, non-current assets, expenses, finished products, provision of future costs and payments, income, etc.

Control as a substantive management function completes the managerial cycle in innovation and thus ensures the effectiveness of all other functions. The essence of control in innovative management lies in the fact that it ensures the implementation of established scheduled tasks, aimed at unconditionally achieving the adopted development goals in the planned conditions.

Internal audit of business entities innovations. A reliable tool for carrying out control measures at all stages of the innovation cycle is an internal audit. The internal audit in the world is now being developed according to the standards of the International Institute of Internal Auditors. According to his definition, "Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organization's operations. It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes"[4].

An internal audit of innovations relates to an operational audit, an audit of certain types of activities [12, p. 395]. The subject of internal audit is the assessment of decision-making on innovations (the

competitors of the business entities, the establishment of market demand for innovative ideas of the business entities, the level of use of factors contributing to innovation, reducing the influence of factors hindering the activity) and control of the innovative solutions adopted, risk taking and audit of further improvement of innovation management.

The purpose of the internal audit of innovations is the efficient and economical use of resources, the timely identification of risks [12, p. 382], application of the risk management model in accordance with the COSO methodology [12, p. 385-386], substantiation of timeliness, conformity, reliability, compliance with market requirements, the degree of achievement of established tasks, sufficiency of indicators, target parameters and criteria, preventive control, taking into account the risk of non-fulfilment / over-fulfilment of business entities innovation policy, assessment of the system of internal control of operations with innovations,

In general, a planned process of functioning of the internal audit of innovations is carried out in accordance with organizational, methodological, technological and other stages, which ensures the performance of the audit task based on the search of internal auditor auditable evidence. Table 5.2 shows the content of internal audit operations of innovations in the stages of internal audit.

An internal audit plays an important role, since it carries out an objective risk assessment and examines policies and procedures, first identifying possible deviations, fraud, or theft. This feature ensures that business entities comply with accepted requirements and regulations. Internal audit as an innovation tool involves establishing an objective state of risk management, control and management processes for such activities, and allows you to make informed decisions about the innovative way of business entities development. Indicators of the internal audit of the innovation process should be considered as an increase in the working options of a substantially new type of product or service developed earlier than they were released to the market; achievement of the degree of realization of the revealed wishes of clients concerning new types of products or services; expanding the capabilities of the production process, developing new ideas for new markets, the speed of promoting new types of products or services to the market; solution of the tasks of business entities, thanks to introduction of innovations, increase of successfully completed innovations, quality management, reduction of risk, reduction of expenses of business entities, protection of the rights of the owner, etc.

Table 5.2

Stages of conducting internal audit over innovative activity of the enterprise

Stages	Content
Organizational and preparatory	Definition of innovation policy of the business entities and comparison of such a policy of an business entities, the influence of factors restraining the activity, information, registration and statistical support, establishment of the level of internal control of innovation activity
Methodical	Choice of effective methods of conducting internal audit, substantiality and reliability of evidence
Technological	Documentation of audit, development of worksheets for conducting and on the results of internal audit and the order of their filling; testing of risk assessment, application of modern audit technologies, audit of business operations, verification of availability of established internal standards, comparisons, analysis, factor analysis, economic and mathematical methods, questionnaires, regulatory review, confirmation of the introduction of innovations and the effect of innovations, investment costs, obtaining income from the implementation of innovations
Effective	Establishing the effectiveness and reliability of internal control; identifying the synergy effect, improving governance and internal control over innovation, grouping disadvantages
Inspection (monitoring of corrections based on recommendations of internal audit)	Establishing the effectiveness and reliability of internal control; identifying the synergy effect, improving governance and internal control over innovation, grouping disadvantages

Sources: own development according to [14]

Benchmarks of the role of internal audit of innovations it is appropriate to take the level of development and introduction of very new innovative products, the maximum and fast satisfaction of the requirements of consumers for new types of products or services, growth of a part of business entities in the market of innovations.

Critical analysis of foreign experience in internal audit as a component of innovation development. Considerable attention in the audit of innovations is given to risk taking; the modern market concept of the priority of valuation of the company involves the consideration of non-material factors. Proposals of the authors reveal the methodological,

technological and effective stages of the organization of internal audit.

Suitable offers by foreign authors: the proposed measurement tool includes quantitative and qualitative measures, in particular internal audit and innovation processes [11], a more holistic methodology is needed to integrate all factors that govern business entities; among them - innovation, further improvement is needed, in the categories of innovation processes, acquisition and exploitation of technologies, remuneration systems must be restored to financially motivate innovation within the entire business entities [2], maintaining interest in maximizing the use of the function of internal audit [8, p. 219].

Discussion. It is advisable to supplement the questionnaires on innovation activity in Ukraine with information about the risks of business entities, on the subjects of control, in particular, internal audit. The units of accounting, management, valuation, sale, control, audit of business entities should not be considered as subsidiary [1, paragraph 2.7], while serving the types of innovation activity of business entities, it is necessary to set the parameters of the risks of innovative activity of business entities.

Conclusions The implementation of innovation as an important activity requires the application of business entities management elements. Internal audit is an effective tool for successful management of business entities innovation development. The introduction of internal audit as an important component of the management of innovation activities corresponds to the effective use of market mechanisms; such a path is based on the standards of professional practice of internal audit, domestic and foreign audit practices. In order to achieve the goal of internal audit, audit evidence is used based on the characteristics of the innovation activity developed at the business entities, indicators and criteria for risk-based internal audit. Decision-making methods based on a well-conducted internal audit will allow researchers to develop potential directions for investing in innovations.

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DEVELOPING AND REALIZATION SOFTWARE OF STATISTICAL ANALYSIS THE INTERNET-NETWORK FOR SALES AND SERVICE OF ROAD TRANSPORT

One of the most important issues of activity enterprise is the formation of its sales policy in the conditions of the “consumer market” when the supply far exceeds demand since economic indicators of sales policy have a significant impact on the operation of the enterprise as a whole, in line with changing consumer needs and high level of competition. An analysis of the economic indicators of sales policy

allows you to identify problems that arise on the enterprise. One of the necessary factors to eliminate these problems is the use of a strategically directed set of measures for the formation of sales policy, as well as the use of modern models and methods for the search for potential consumers [1]. From the theoretical and practical point of view, the organization of sales activities of enterprises is highlighted in the scientific works of Ukrainian and foreign scientists, in particular in works by L. Balabanova, J. Zavadsky, T. Primak, Z. Shershnyova, B. Berman, V. Naumova, O. Akilina and etc. The authors of most of these works suggest building organizational structures for sales management for enterprises, focusing on the marketing concept. From existing sources, from our point of view, the possibilities of forming channels of sales using the Internet network, as well as methods of contracting counterparties' bargaining, which would ensure the weighing of factors using mathematical models, are not considered sufficiently. Thus, the question remains to find the channels of sales, by which the enterprise has the best opportunities (in comparison with potential competitors) to realize their comparative advantages for increasing the turnover [2], as well as the comprehensive study of markets and prospects for their development, the identification of dissatisfied needs in the goods and services, adapting the conditions of sales to the requirements of consumers [3].

In this paper, the research was conducted of resources for the sale of cars and their components using the software as a web application for the browser on the Chromium engine. Real-time add-ons allow you to analyze the required Internet resource and provide statistics data: the number of visitors for a particular period, the most popular site-links (for example, sites of competitors), key queries that lead to a given resource through a search engine, the percentage of failures of the required resource, and the percentage of positive reviews (PPV). Also, in paper carried out the statistical analysis of data of 10 most popular resources for the sale and realization of road transport in Ukraine. The choice of these resources was not accidental, but with the help of the specialized website carassistance.net. On this resource you can see the top 10 sites for the sale realization of cars, both new and used cars. This paper helps to analyze issues that related to the developing of Web sites, their promotion and further development. Also, in paper the main attention is paid SEO-optimization (search engine optimization) and its value with the accompanying sites.

Despite the many difficulties associated with the realization of

software systems in the World Wide Web, the creation of solutions on the Web platform for more than ten years has formed the most promising direction that is dynamically development in the modern application development industry. The entire classes of applications that were previously distributed or could be distributed in the form of desktop software intended for installation on user computers – such as interactive communication systems (conferences, chats), online trading and reservation (e-shops , auctions, stock exchanges, booking tickets and hotel rooms), library catalogs, interactive geographic atlases, games, automated workplaces (administrators, content managers, corporate users) – move in the Web environment, eventually, this weblication process of the software is very successful.

At present, there is an increase in expectations regarding the prospects for further development of the Web applications industry, and even provides for another boom in the weblication and gaining in popularity the concept “Web of the New Generation” (Web 2.0). One of the main defining features of Web 2.0 applications is the support of a full, saturated (rich) user interface, which should finally approach traditional “desktop” interfaces by its functionality, interactivity, usability and efficiency.

The object of study the scientific work is the selection of resources for the sale of cars, which are necessary for statistical research, and confirmation of marketing services.

The subject of study is a sample of a number of web resources, which will be explored by software methods, which in turn are created using web technologies.

In order to collect data, a web browser application was created in the Chrome store, due to the fact that the store is intended for free distribution of data and anyone can download their created product. Web application for statistical analysis of web resources was created using html, css, also java-script and XML technology. Each of these technologies is as functional as possible when creating applications, sites, and additions for various platforms [4].

The main task of the work was to create a web application that should display statistics data, namely: the number of visitors for a certain period, currently (for a period of 6 months), the most popular site-links (for example, sites of competitors), the key queries that lead to this resource through search engines Google (share 90.15%), Bing (share 3.23%), Baidu (2.2% share), Yahoo! (share of 2.09%), the percentage of failures required for us, traffic targeting, pay-per-view

advertising content (PPV) [4].

Creating this application for Chromium-based browsers is essential for viewing resource attendance and choosing the best car and accessories for them. Also, the creation of this application is important for statistical research. Work from creating the specified application is divided into the following steps:

1. Stage of cost estimates and developing period.
2. The stage of development of the mocap screens of the application and the site.
3. The stage of design developing.
4. The stage of developing the user interface.
5. The stage of layout the interfaces of application and the site.
6. Usability testing.
7. Publication of the project.

Application developing is done on own servers. Upon completion of the developing and completion of all testing steps, the application may be published to Web Store the Chrome. Publication of the project is carried out by the performer. Application interface language: Ukrainian. The software developed (hereinafter referred to as software) should be for Chromium-based browsers (mainly Google Chrome). The realization of the server part should support the work of Linux-based servers with MySQL support (the final requirements to the server are calculated by the developer at the stage of assessment of the cost and time of project developing).

For perception the design of the application should be similar to the design of the mobile application, resembling the size of the popup window of small size (for convenience of use).

A user who visits the site and wants to know how much the resource is in demand, by installing the StatSites application, can see this application in the toolbar by clicking on the shortcut, and a popup window appears (Figure 5.1).

The button “Statistics in graphs” is a button, which we click on to the site, where for automobile subjects all over Ukraine are collected figures with the main criteria of selection of resources for the sale of cars in Ukraine.

The site is constantly updated, so the content in it constantly changes and is filled with new information. Site appearance (Figure 5.4).

By functionality we have one of the main criteria: a visitor counter and resource views for the month and day.

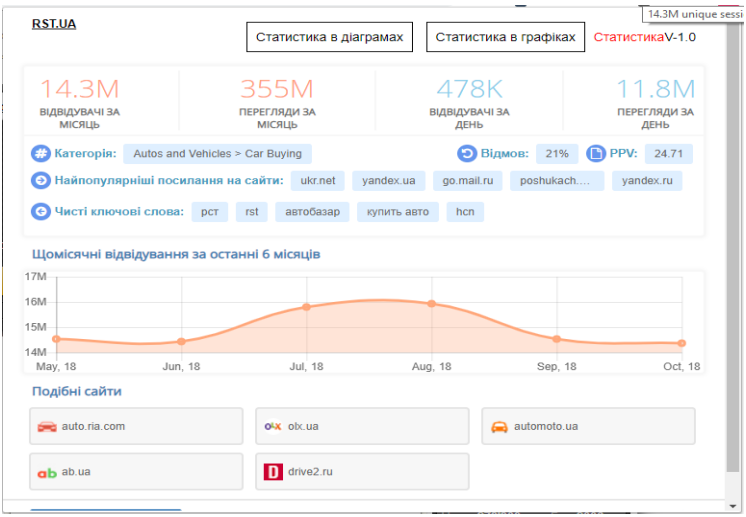

Figure 5.1 Application interface

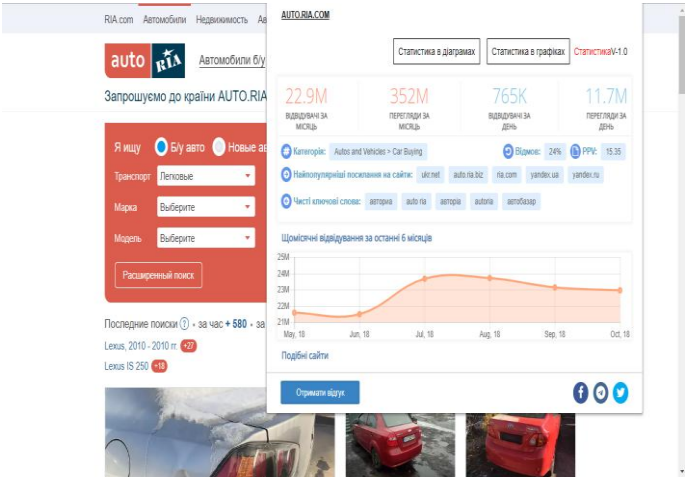

Figure 5.2 Appearance of the application in the browser window (resource autoria.com)

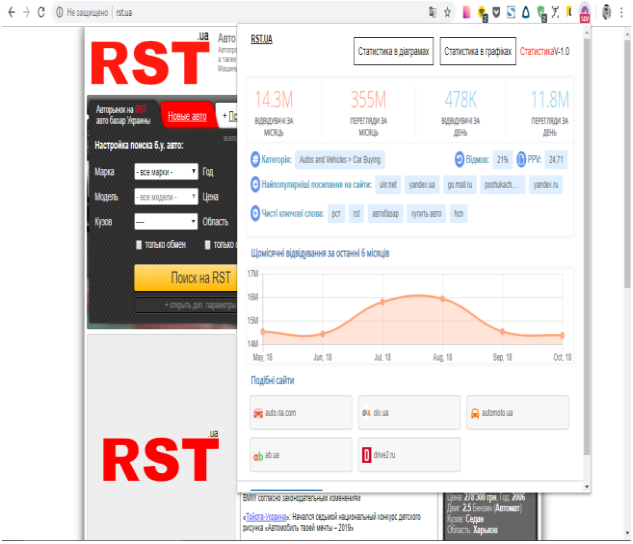

Figure 5.3 Appearance of the application in the browser window (resource RST.ua)

In the “Category” section you can see which sub-item belongs to this resource. In the same line you can view the percentage of resource failures (when it was not possible to get into trouble).

PPV – positive predictive value: positive feedback rate:

$$PPV = \frac{\text{number of positive reviews}}{\text{number of positive reviews} + \text{number of negative reviews}} = \frac{\text{number of positive reviews}}{\text{number of positive calls}} \quad (5.1)$$

“Clean Keywords” – the keywords that search for this resource in search engines.

Next, a graph is generated that provides information for the last 6 months of attendance the site that monitored. That period of 6 months is most needed for a quick analysis of the resource.

The “Similar Sites” item provides information about similar resources from this category.

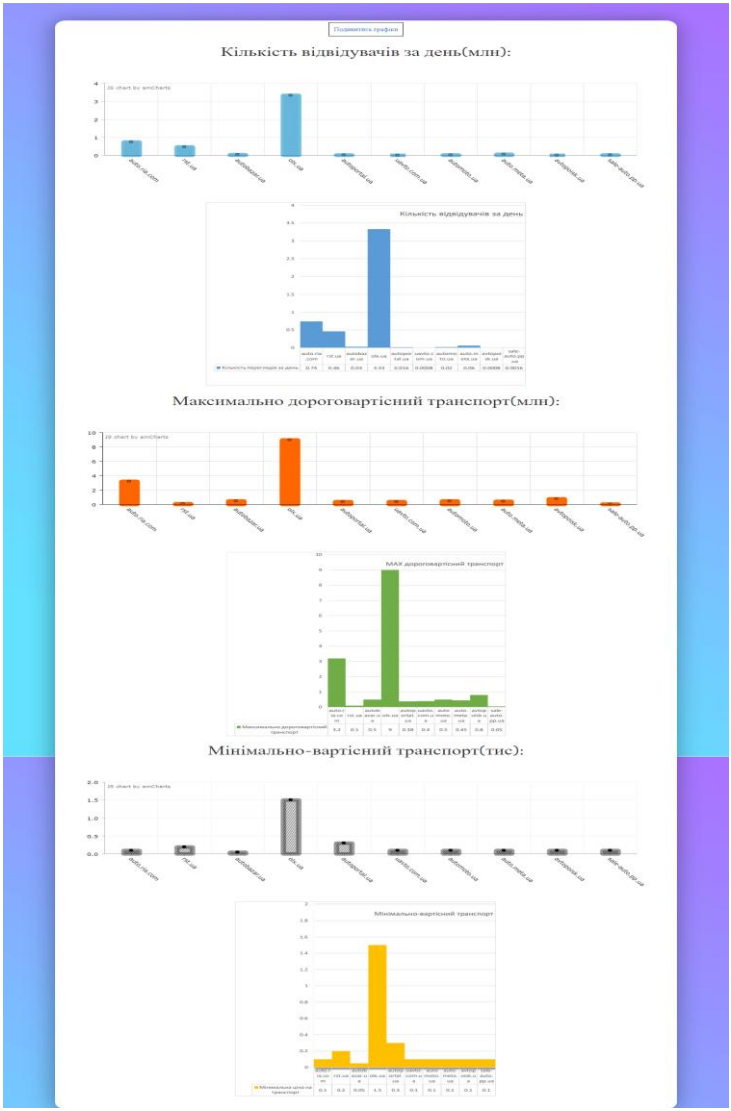

Figure 5.4 Site view with diagrams

And at the end of the “futer” to get feedback on the application and also its distribution in popular social networks.

The subject of this work is built around one of the “axioms” that exists in Web programming – the usability that is intended for the user interface of the application, given that all interactions between the client and the Web server should be carried out in asynchronous mode. This simultaneously applies both to the implementation of data transfer, and to the movement necessary for the work of the client part of the program code and elements of the visual interface. But this “axiom” is often violated in existing applications, when in the process of their work suspiciously popped up windows with the message: “Wait, it is loading the necessary components / data”, and the interface itself seems freeze.

When an application freezes, ceasing to produce any visible reaction to input from the keyboard or mouse, it most often indicates that during the program there was a fatal error that led to looping the program. However, this behavior is not always due to looping, as one of the common reasons for this behavior may be a poorly thought out realization of the system, when the processes (flow) that serve the operation of the user interface forms block their work as a result of some lengthy operations; or these processes “freeze” their work through tight synchronization with processes that perform similar long-term operations.

The usability indicator is an indicator that determines the level of effort that is spent on mastering the basic laws of work with this software product, input and output input data, and so on. That is, this criterion characterizes the ease of use of software product. Such an indicator can be determined by testing. But since usability testing is a complex process that should combine not only the purely technical requirements of software engineering, but also psychological, physiological and other aspects, such testing is not part of the standard test procedure. Therefore, when creating a user interface, it is advisable to take care of its convenience in advance, taking into account the following factors:

- Ease – how fast is the learning process of using the system;
- Efficiency – indicator of completion work at the end of training;
- Memory – whether the person has skills acquired during training;
- Mistakes – what is the number of errors that the user makes after graduation;
- Satisfaction – the degree of positive experience from working with the software product.

The commercial success of an enterprise is largely determined by how well the selected forms and methods of product sales are

successfully selected. Marketing organization of sales activities involves the search and use of, first of all, the most effective channels of sales of goods. In this paper is shown an example of the developing of software tools for statistical analysis of the Internet network as an efficient channel for the sale and servicing of road transport. To solve the task was:

1) analyzed the existing practice of providing services for Internet sales and servicing of cars;

2) considered the theoretical aspects of the collection and analysis of statistical information;

3) justification of the choice of means of realization of the application;

4) has been created an inspirational site for this web application;

5) tested the created software product;

6) obtained statistical data presented in the form of diagrams and graphs;

7) constructed the mathematical models of the dependence of the attendance of sites for the sale and service of road transport from parameters the cost of road transport for periods of the day and month.

Consequently, developed user interface (usability) provides ease and convenience the developing and ongoing analysis of the use of sales system of road transport. By adapting the sales channels to the needs of the consumer, the enterprise has a better chance of surviving in the competitive struggle.

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GAMIFICATION. HAVEN'T WE OVERPLAYED?

Background

Technical advancement of the modern world, popularity of social networks is significantly changing the direction in education. Both the future of the education and of society in general depends nowadays on understanding by all participants of educational process of the direction of a strategic development of education [Koryuhina & Shamshina 2015].

Along with the leading scientists and experts in the field of informational technologies, many modern teachers, philosophers, theologians and journalists, discussing a complex of problems of gamification in education, note that process of application and intensive development of informational technologies in the educational sphere has the hidden ambivalent character. The goal of gamification, which is an educational approach to motivate students to learn by using video game design and game elements in learning environments, is to maximize enjoyment and engagement through capturing the interest of learners and inspiring them to continue learning [Huang & Soman 2013].

The apparent advantages and conveniences brought by it on the one hand, are combined with the essential hidden risks and threats for the

person and society on the other hand.

In spite of numerous benefits brought by gamification, there are some serious drawbacks, such as, for example: priority of form over the contents in education; deliberate artificial simplification of educational material which leads to primitivization of consciousness and loss of value of genuine knowledge; impersonalization of an individual by turning him/her into standard gamer; creating an artificial sense of achievement in case of total virtualization of an educational process [Rughinis 2013]; encouragement of unintended behaviours as a result of psycho-somatic disorders [UNESCO 2013]; deterioration of articulation and rhetorical skills due to overwhelming usage of electronic devices; stress to human organism due to prolongation of time spent online; possible risk of manipulation of consciousness.

Introduction

Game can be defined as a kind of activity in the situation directed on a reconstruction and assimilation of public experience in which self-government is developed and improved by behavior [Shumeiko&Sobko 2015]. Value of game is impossible to limit and estimate only by its entertaining recreational opportunities to which too often and unreasonably many game developers resort. In "The encyclopedia of educational technologies" edited by G. K. Selevko game literally is described the following way: "its phenomenon consists in the fact that, being entertainment and rest, at the same time it can develop into training, creativity, into therapy, into model like the human relations and manifest itself in work and education" [Selevko 1998].

The special game pedagogical technologies including rather extensive group of methods and receptions are applied to the organization of pedagogical process in the form of various pedagogical games today. The game form of classes creates special situations at the lessons which act as means of motivation and stimulation of pupils to educational activity. But unlike games in general pedagogical game possesses an essential sign, i.e. the purpose of training is accurately set and is directed at achievement of concrete pedagogical results which have to be proved and allocated in an explicit form. Thus, any good pedagogical game first of all is characterized by an explicitly defined educational and informative orientation [Gakaeva 2015]. But in practice growth rates of volumes of a training material dictate the terms to application of methods of training of pupils and students. And these methods are often directed both at the amount of the acquired

material, and at extravagance of a form of representing of a training material, rather than at its quality. Such approach realized in the majority of educational computer games, naturally does not promote successful comprehension of program material and increase of a level of quality of process of study. On the contrary, the material which is badly acquired by pupils is very unreliable support for assimilation of the new sum of knowledge, and significantly reduces professional standard of young specialists.

1. A place and a role of game technology in educational process

The combination of game elements and the doctrine in separately taken study subject, a place and a role of game technology in educational process in general, in many respects depend on understanding by the teacher of functions and classifications of pedagogical games.

Considering nature of pedagogical process, a game technique, the contents and a form of game activity, and also the game environment the authors will give the following possible classification of types of pedagogical games.

1) First of all, by the nature of pedagogical process the following groups of games are allocated:

- teaching, training, imitating, controlling and generalizing;
- informative, educational, developing, socializing, role;
- reproductive, productive, creative;
- communicative, diagnostic, professional orientation, psychotechnical, etc.

2) The typology of pedagogical games by the character of a game technique is extensive. Three big groups comprise:

the "rigid" games, in which the rules are declared in the beginning of a game and do not change;

the "free" games, in which rules are established in the course of a game;

the "combined" games, which combine both the rules accepted in the beginning of a game, and arising during the game.

3) Also it is necessary to divide games by the contents of activity:

- physical (sports, mobile),
- intellectual (mental, didactic, subject),
- labor (construction, technical),
- musical (rhythmic, round, dancing),

- social,
- ritual and ceremonial,
- medical,
- psychological (correctional games exercises).

4) Specifics of game technology is defined substantially by the game environment:

- concerning a requisite (game with and without objects),
- concerning a place (desktop, room, street and so forth),
- concerning time (winter, summer and so forth),
- concerning Technical teaching aids (computer, cards, etc.),
- concerning participants 9(preschool, school, adult, etc.).

5) And, at last, as the form is a way of existence and expression of the contents, by a form it is possible to allocate the following games in independent typical groups:

- competitions, tournaments, Olympic Games, rivalries;
- contests, quizzes, rallies, starts;
- tests, polls, trainings;
- games festivals, carnivals, masquerades;
- variety game improvisations;
- theatrical game actions;
- mystification, draws, surprises;
- game folklore, ceremonies, customs;
- game auctions, casino, etc.

In game model of educational process creation of a problem situation happens through introduction of a game situation: the problem situation is lived by participants in its game embodiment, the basis of activity is made by game modeling, the part of activity of pupils occurs in the conditional and game plan. Children act by game rules (so, in case of role-playing games - according to the logic of the played role, in the imitating modeling games along with a role position "rules" of the imitated reality work) [Klarin 1995].

The game situation transforms also a position of the teacher who balances between a role of the organizer, the assistant and the accomplice of the general action. Results of game act are dual, i.e. both as gamimg and educational-informative result. Didactic function of game is realized through discussion of game itself, by the analysis of a ratio of the modelling game situation and its comparison with reality. The major role in this model belongs to final retrospective discussion in

which pupils together analyze the course and results of game, a ratio of game (imitating) model and reality, as well as educational and game interaction [Selevko 1998].

In the framework of pedagogy of elementary school there are the games promoting enrichment and fixing at children of literacy, coherent speech; the games aimed at the development of numeracy, counting; the games developing the memory, attention, observation and games strengthening will.

Productivity of didactic games depends on:

1) their systematic use;

2) focus of the program of games in combination with usual didactic exercises.

The game technology comprises a certain part of educational process and is united by the general contents, a plot, and participants taking into account age features of audience. For example, for younger students it is important to use the games and exercises forming their abilities to allocate the main, characteristic signs of objects to compare them; games on generalization of objects of certain signs; games in the which ability to distinguish the real phenomena from the unreal develops; groups of the games cultivating ability to be self-controlled, speed of reaction, phonemic hearing, etc. [Balandina 2015].

So, application of game technologies demands from the teacher of systemic approach to the organization of educational activity, strict observance of balance of methods of training, time and results of training. Thus, the game plot has to develop parallel to the main contents of training, but not dominate over it, and is urged to help enliven of educational process. For all that drawing up effective game technologies, choosing particular games and elements is the task of each professional teacher.

2. The reasons stimulating introduction of educational games in modern educational process

What makes teachers apply game methods in educational process? The authors believe the main reasons stimulating introduction of educational games in modern educational process are the following:

1) First of all, introduction in practice of game techniques is directly connected with a number of the general sociocultural processes directed on search of new forms of social organization and culture of relationship between the teacher and the pupil, the teacher and the student, and also between pupils within one class, group or team. Game,

both for children of preschool and school age, and for students is not simply interesting pastime, but a way of modeling of the outside, adult world, a way of modeling of relationship with peers, and, consequently, partner and business relationship in the future [Kovaleva n.d.].

2) On the other hand, continuously improving the level of culture of communication in didactic process, today the problem of mass decrease in interest in study, unwillingness to work hard, overcome difficulties more than ever is particularly acute. Therefore, there is an objective need of increase of motivation to informative activity of students and pupils by stimulation of their interest in the studied subjects. Based on the teacher's experience the authors have noticed that quite often pupils themselves are ready to think out games. Moreover, the games promoting development of perception, attention, memory and thinking lead to development of creative abilities and, thus, are aimed at the intellectual development of the pupil in general. According to K.E. Tsiolkovsky: "At first I opened the truth known for much; and, at last, began to open truth, to anybody yet not known. Probably, it is also a way of formation of the creative party of intelligence, research talent. And one of effective means of it is game" [Egoshina 2015].

3) It is no secret that we live in dynamically developing information society, in a century of prompt development of innovative processes in which advance of goods and services by means of information technologies became a daily norm. Therefore, such important link of social development as the education system in general, responsible for training, vocational training and education of future younger generation, is significantly and continuously modernized both in a form, and according to the contents.

4) Besides, one of the reasons of use of game methods of training is based on the advanced ideas of child's psychology. The child from the birth till a maturity pays huge attention to games, given that game is one of the most ancient, and, consequently, actual methods of training. Long before game became a subject of scientific research, it was widely used as one of effective teaching aids. Takind into account the fact thet game is very close to the child's nature, it is nor surprising that it plays a significant role in various educational systems [Game and toys in history, culture, development and education 2012].

3 Arguments “against” total gamification of educational process

Video games were for the first time offered to the consumer market in 1972. But already today only in the USA the industry of computer

and video games exceeds 19 billion dollars a year [Yasko 2015]. Gamification today is one of the hottest topics of electronic training. Its efficiency as the instrument of additional motivation and involvement in training process has been confirmed in practice more than once. Nevertheless, the fashion on a gamification brings not only benefits, but also poses threats in case of its inappropriate and excessive use, which is a direct way to disappointment in the technique. Let's consider the most typical mistakes and risks introducing a gamification in educational process:

1) Stress to human organism due to prolongation of time spent online;

It is known that in average the modern child till 21 year accumulates 10,000 game hours, which is approximately equal to the time spent in a secondary school on condition of ideal attendance. It is also equivalent to full-time work of more than 40 hours per week [UNESCO 2013]. For example, games like Mine Craft, Mine Craft Creative, etc. are so fascinating that are capable to captivate for a long time even adults. Seeing its beauty and fantastic opportunities for "construction creativity" the feeling is created that game develops creativity and prepares the whole generation of young architects. But this is delusion as the child is not capable to become an architect without development of spatial representations at absolutely different level. As experts note, many today's 8-year-old players in Mine Craft quite often cannot carry out even the simple instruction: "Touch your left eyebrow with a forefinger on your right hand", and are not able to jump on one foot or to jump over a rope [How computer games affect child's psyche n.d.].

It is obvious that chronic over fatigue and a sleep deprivation in this case are serious risk factors for a stress, various nervous breakdowns and even vascular dystonia and can positively affect neither study, nor work.

2) Encouragement of unintended behavior as a result of psycho-somatic disorders;

According to the concept of the neuroplasticity confirmed by scientists-neurophysiologists in the middle of the XX century, the brain is formed as a result of any experience and often repeated kinds of activity. According to Daniel Sigel, professor of psychiatry of medical school of Univesity of California, the world famous expert in the field of child's, teenage and adult psychoneurology, (the author of the best-seller "Education intelligently: 12 revolutionary strategy of development of a brain of your child"), everything that happens to the child, influences the

development of his brain [Yasko 2015]. If to look at influence of video games through a neuroplasticity prism, then qualities which can be developed in the child by means of technologies simply shock. For example, in shooter games the game purpose is to kill or cripple as much as possible of living beings. Speed of reaction is trained, but at the semantic level life value is leveled. Examples of influence of such games on mentality of the child are well-known:

- On April 20, 1999 massacre at Columbine school in Colorado;
- 14 Dec. 2012 the tragedy in the USA at school of the State of Connecticut where 20-year-old Adam Lanza did not regret even her own mother, shot teachers and pupils; not less than 28 people became the victims;
- 10 Feb. 2014 – murder at school No. 263 in Moscow, etc.

3) Impersonalisation of an individual by turning him/her into standard gamer;

Today unisex ideas erase a distinction between girls and boys, men and women. In game among gamers there are no sexual distinctions at all as well, in the result of which such concepts as "real gentleman" and "the true lady", unfortunately, are disappearing. Nevertheless, implementing gamification in educational process it is very important to segment audience both by age, and by preferred "games" which pupils anyway "play" in the life.

4) Deterioration of articulation and rhetorical skills due to overwhelming usage of electronic devices;

To a great regret, it is necessary to admit that the modern young people preferring to communicate in social networks and computer games in simplified and even primitive language form, then transfer this style of intercommunication interaction from the virtual environment to real life. And it negatively affects language culture in general and reduces the level of rhetorical competences.

5) Priority of form over the contents in education;

Speaking about strategic games, for example, among positive effects it is possible to note their impact on the brain zones connected with logical thinking and planning of events. But at the same time, such games are often constructed on the principles of war, capture and slavery.

Another example sre sport games, races. The skills developed in the course of such games are useless and inapplicable in reality. It might seem that these video games can improve skill of fast processing of

information, but it not so. The researchers Christakis [Christakis et al. 2004] and Landhuis [Landhuis et al. 2008] claim that these skills can be valuable in concrete video game, but they are absolutely useless in educational activity and at work.

As to coordination and motor skills which are important for pilots and professional racers, it is important to remember that only high-quality simulators can provide acquisition of good motor skills.

And the most dangerous in the opinion of the authors is a fact that sometimes heroes of games are monsters, zombies, aliens, vampires, sorcerers, magicians, witches and other characters with devil attributes. To the authors' mind it is the veiled form of attack to weak consciousness of younger generation. It is obvious that, paying a tribute to "fashion", there is a purposeful destruction of moral foundations of society, including traditional Christian moral, which finally, leads to blurring the difference between the good and evil.

6). Deliberate artificial simplification of educational material which leads to primitivisation of consciousness and loss of value of genuine knowledge;

There is a big variety of the training computer games for different age. There are really interesting and useful games with which help it is possible to teach children many useful skills, including reading, writing, logic, elements of a foreign language. But the real advantage of such games is possible only in case of the system, methodologically correct approach based on the principles of didactics and a continuity of education. I.e. at regular training, during a certain amount of time, using traditional methods of training, it is possible to apply a gamification fragmentary taking into account the aims and control of their achievement by the qualified teacher. Otherwise instead of developing games it is possible to meet so called "murderers of free time", with the incomplete and simplified training material which only waste valuable school hours and bring to the trainee absolutely no benefit.

7). Creating an artificial sense of achievement in case of total virtualisation of an educational process;

Virtual awards are really simple and almost free way to add non-material motivation to the trainee. "The soul of a team", "The guru of integrals" and other awards in the form of badges or medals add passion to process [Rughinis 2013].

Such way of motivation tends to be extremely quickly devaluated in perception of "players".

Because awards that indeed motivate us actually have no expiration

date. It is something that is given for indisputable and quite real achievement. For example, a golden medal, automatic test, incentive trip, etc. These real awards make sense and stimulate the participant. In this case for the person himself and, the most important, for all other participants it is obvious that the award is deserved, it makes the real value and is not simply used by a teacher or employer as "innovative" manipulation.

8). Possible risk of manipulation of consciousness;

Entertaining games such as a cat that copies a voice, or Angry Birds are simply the "devourers of time" which develop absolutely no skills, but form dependence of the child on a gadget by means of regular "throw" of a dopamine neuromediator into child's brain [Yasko 2015].

Or games-browsers in which the virtual reality takes away the child far from his own life and development. The child will spend a huge amount of time to pass the game and will receive doubtful skills and knowledge. These games occupy a brain of the child and do not bring any good practice for real life of the child.

Developers of computer games actively use two principles, well-known in scientific psychology and helping to manipulate consciousness: the principle of dopamine dependence and the principle of the best storing of incomplete actions (effect of Zeigarnik) connected with an incomplete Gestalt.

Let's consider in more detail the principle of dopamine dependence. Dopamine is a neuromediator which is developed in a human body naturally and serves as important part of "system of remuneration" of a brain because it causes feeling of pleasure, thus influencing processes of motivation and training [Dubinin 2015]. Thanks to dopamine for the child there is nothing more pleasant than a computer game. It is so because in video games there is a system of remuneration, e.g. going to a new level, badges or trophies. It very much pleases children. Dopamine inflow in itself does not cause happiness — rather simply excites. The person becomes vigorous and keen, feels possibility of pleasure and is ready to work diligent that to test it. With dopamine inflow this new object of desire seems critically necessary for survival. Thus, dopamine, causing pleasure, can provoke dependence. The more we play, the better we feel. Even if the child does not play too much, he/she all the same "mentally" remains in the game, in a dream they sees game images, and, naturally, in such condition it is difficult to be focused on study.

The second principle allowing to manipulate consciousness is the

principle of the best storing of incomplete actions, so-called " Zeigarnik effect", according to which people remember uncompleted or interrupted tasks better than completed tasks. In all video games when a player is offered to pass a new level, there is a manipulation in compliance with the principle of incompleteness. The inclination to video games can be explained with "the law of an incomplete Gestalt". The person has a natural internal requirement "to finish a Gestalt", that is to capture a complete image. In everyday life it is much more difficult to make the children to finish the incompleted real work, however, they are ready to finish "affairs" in virtual space which actually have no practical advantage. In other words, never ending Gestalt can have extremely destructive influence on the mentality of the child, his/her ability to set goals and to reach them in real life.

Conclusion

To achieve steady quality and effectiveness in education when implementing gamification it is vital to take into account:

- audience age
- specific character of a subject
- neurophysiological aspects
- ethics, and remember that gamification is not a panacea, recognizing that it is not an appropriate strategy to motivate every learner in every circumstance [Kapp, Lucas & Rich 2012].

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MODEL OF ANALYSIS AND MANAGEMENT OF COMPETITIVENESS AT AGRARIAN ENTERPRISES

Economic and strategic behavior of business entities with different types of ownership in the agrarian sphere of the economy is focused on increasing the competitiveness by retaining and using the existing, creating and implementing new competitive advantages.

In the past decade there have been significant changes in the organization and style of management in the agrarian enterprises, which were caused by a set of factors. One of them is the growth of the size of agrarian enterprises. Thus in the country at the beginning of 2019 100 biggest agricultural formations controlled over 6.1 million ha of the

agricultural grounds [1], that is almost 30% of the square of the grounds which were used by the agrarian enterprises in Ukraine. For instance, the area of the “land bank” of Ukrlandfarming group was 570 thousand ha. At the same time the process of increasing the size of the land use especially by large agrarian producers have slowed down recently in Ukraine. Therefore, the number of the enterprises, which used over 10 thousand ha of the agricultural grounds, decreased from 184 in 2014 to 166 in 2017. The part of the used grounds decreased in that period from 20.7% to 18.3% from the total area of the land use of all agrarian enterprises [2]. The transition from the limited production of the tightly interconnected types of produce, which was distributed mostly on relatively local markets to high-technological production, which influences the complexity of the production structure, takes place [3].

Along with that, there is a change in the production aims of enterprises. Strengthening of the competitive struggle is the significant factor for diversification of production, which means the production of new goods (for instance niche crops), search for and entrance to new markets and widening the sphere of the agricultural processing at enterprises.

The estimation of the actual condition of the area can be done using a dynamic set of indices for producing main types of the agricultural goods in the activity of the agrarian enterprises. As an indicator of steadiness of the trend, we have suggested using the coefficient of Spearman, requirements to it include abiding the following conditions: minimization of fluctuations in the levels of the time line and the presence of a certain, needed trend for the change [4].

The calculation of the cost for the gross production of main types of agricultural produce in the agrarian enterprises was made using the criteria of changes in steadiness of the time line level (for the period 2000-2017) and steady trends of its development. The ratio of indicators (steadiness of the growth trend and steady levels of the dynamic row) makes possible to conclude that the bigger steadiness of levels is observed in case of the bigger steady trend [5]. For achieving the comparable generalizing characteristics considering both components, we carried out the grouping by values of the coefficient of Spearman and the steady index (Table 5.3).

The carried out analysis showed that the dynamics of the steady growth development of production in certain types of agricultural produce since 2000 has been characterized by different trends of the constant growth. At that it is worth noting that in production the sweet

beetroot, vegetable crops, wool, honey, fruit and berry crops have the unsteady trend to growth while the production of the grain crops, meat and eggs provides a moderate trend and a high trend of growth at average steadiness of the levels in the dynamic row is observed in case of sunflowers.

Table 5.3

Grouping the types of the agricultural produce by parameters of steady economic growth (2000-2017)

Components of the steady growth		Type of the agricultural produce
Steadiness of the growth trend	Steadiness of levels in the dynamic row	
Non-steady trend (k<0.2)	High (i<1.1)	sugar beetroot, vegetable crops
	Moderate (1.1≤i<1.2)	wool
	Weak (i≥1.2)	honey, fruit and berry crops
Weak steadiness of the trend (0.2≤k<0.4)	High (i<1.1)	potato
	Moderate (1.1≤i<1.2)	
	Weak (i≥1.2)	
Moderate steadiness of the trend (0.4≤k<0.6)	High (i<1.1)	grain crops, meat, milk
	Moderate (1.1≤i<1.2)	eggs
	Weak (i≥1.2)	
High steadiness of the trend (k≥0.6)	High (i<1.1)	
	Moderate (1.1≤i<1.2)	sunflower
	Weak (i≥1.2)	

Therefore, as the trend of production development shows, although the diversification is the priority direction in development of the agricultural production, however the steady growth trend belongs to traditional crops.

Considering general trends in agricultural development there is a need for changes in methods of managing enterprises and planning its competitiveness.

The effectiveness of planning will be the higher the more precise and optimal the estimation in the level of competitiveness is, its implementation is hindered by a set of reasons that is the issue of obtaining the information, which is necessary for calculating the indicators; aggregation of estimates with different sizes; selection of the importance of indicators, difficulties in comparing the received results,

the complexity in consideration of the factors which do not have the price market estimation (interaction and qualification of the staff, trust and personal relations and so on). It is worth noting that in the contemporary practice of management and marketing those assets obtain their estimates through different methods of accounting non-material capital. Moreover, their estimation, as a rule, is based on either the subjective thought of the experts, or on the estimate of expecting some most probable scenario of event development in the future (for example, stable amount of sales to the group of loyal consumers); impossibility to estimate the efficiency of different processes in the public sphere, the result of its activity (public benefits and services) is not the good for the marketing exchange (educational services, infrastructure, provision of the legal order, safety of population and so on); the problem of the objective comparison in indicators of the effectiveness, caused by the difference in technologies. Firstly the sizes of enterprises are different, as well as the amount of the utilized resources and produced goods, and secondly there are significant changes in the possibility of varying the structure of "output" (for example the production of a certain type of goods is significantly different) or "input" (quality of the used fertilizers, ways of protecting plants and animals, potential of the staff and so on). In this situation, the optimal structure of production strongly depends on price offers for raw and materials as well as the final produce. The main essence of the specified faults could be viewed in the complexity of making grounded decisions and recommendations on improving the competitiveness, which is grounded by the presence of the unaccounted factors, limited information and the impossibility to precisely predict the actions of competitors and preferences of consumers.

The processes which take place in the agrarian sector of the economy in the country set tasks for agrarian enterprises with different forms of ownership of forming the competitive resistant model of development, which is based on the implementation of the set of means for improving the level of steady efficient functioning in the long-term prospective considered the features of the economic development in the country, their business-climate and development of the euro-integrated processes (Figure 5.5).

The initial stage of the model reckons for the implementation of the strategy of safety (future), transits it from the category of purpose into the coordinates of the current activity (present), at that, the actual result can be estimated by the fact of implementing all set plans (past).

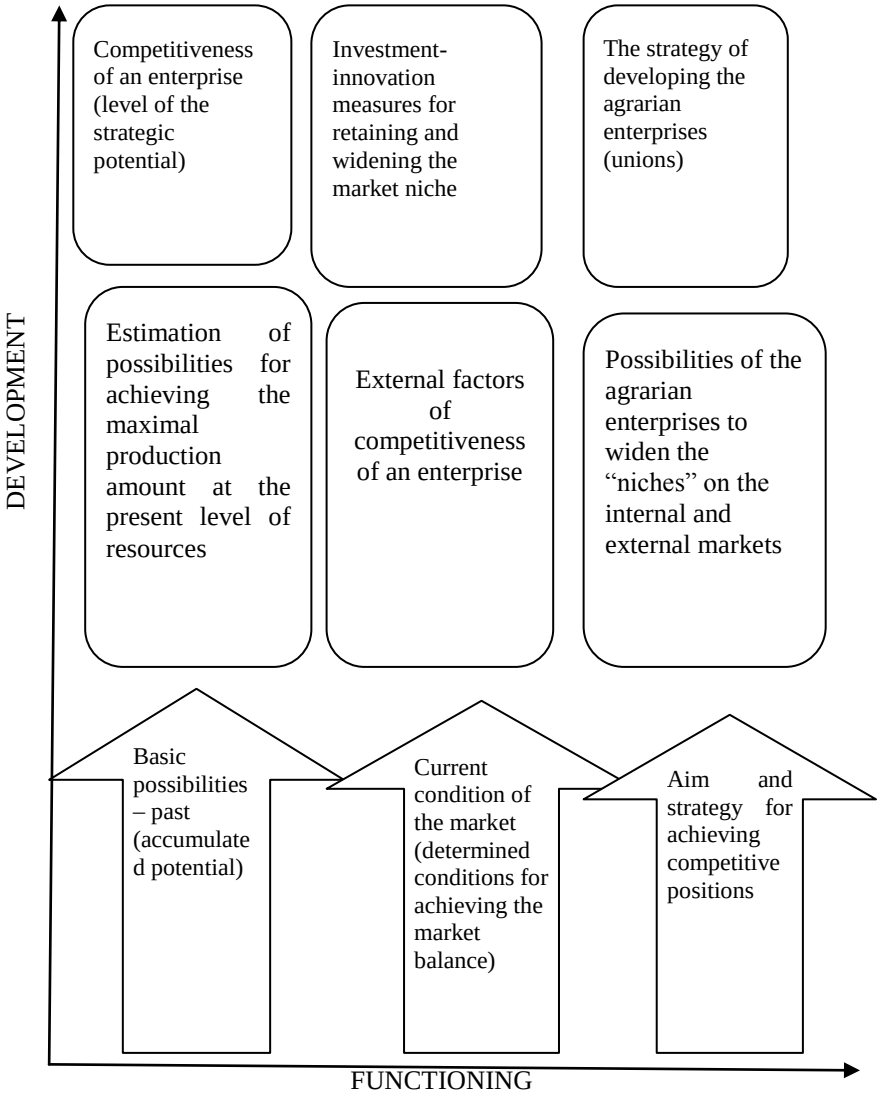

Figure 5.5 Model of the competitively resistant development of the agrarian enterprises

Each of the levels has a resource component – possibilities of utilizing the existing economic resources (point of the past); current economic processes – a set of actions, which promotes the achievement of the determined development aims (parameter of the present tense); satisfaction of needs – strategy of achieving the necessary target level of competitiveness of the agrarian enterprise (parameter of the future).

Thus, the basic purpose determines the ways of utilizing the resources and possibilities of the agrarian enterprise for providing its competitively-resistant development and supply of the high-quality agricultural produce to the public by prices with the corresponding level of income.

We considered the key blocks of the organizational-economic mechanism of competitive functioning of agrarian enterprises, which determine the purpose, tasks, instruments and levers of the controlling influence on the development of the methodology of analysis and competitiveness management. The purpose was set as the functioning of the agrarian enterprise based on steady development. The base of setting the aims is the principle for viewing the enterprise as the aim-focused system, which has global purposes of development and are specific for each functional subsystem. Setting the aims at the high level is explained by the aspiration of enterprises to develop innovations, production, finances, sales. The specific aims provide the achievement of the higher level aims. The base for formulating the purposes of the lower level is the target-oriented approach, at that the requirement is kept that all set of functions, works and efforts are subordinated by the achievement of the set final goal in the present case – provision of competitiveness for the enterprise [6]. The priority tasks are safety, efficiency and competitiveness of the agrarian production; the instruments are the economic and organizational factors; the main levers are the results of the competition and the competitive potential.

Setting the priority for development makes possible to characterize in detail the factors of the steady development of the agrarian enterprises (economic, social, ecological), their condition on the time axis (in the past – actual; at present – real commercial situation on the market; in future – the target result). It is worth noting that while studying the features of functioning and organizing the complex productions it is necessary to consider the enterprise by separate subsystems. The first one is the production component, where the activity of the agrarian enterprise is considered from the point of view of following its production program, which is distributed by the set of the separate

programs, which are different in content and size. That aspect is essential since the quality and amount of the produce, level of costs at the enterprise make impact on the type of the functions, which are performed: the business activity of enterprises is planned and estimated by similar indicators; organization and structure of the enterprise are determined firstly by the technology of the production of goods.

The second component is the structural-organizational, which concerns, first of all, the issues of production management. The need for changes in diversification of the production according to the current market situation and consideration of changes for the prospect activates the tasks set for the enterprise, which must be solved and led to structural units. It is easier to perform if the organizational structure of the agrarian enterprise corresponds to the production component of the systemic approach to the organization. Thirdly, it is competitiveness, which combines two sides – intensity of the influence of subsystems, which determines the efficacy of production and the possibility to influence certain structural-production units of the business entities on the subsystems, which determine the efficiency of production.

Therefore the advantage of such an approach is that it makes possible to consider the objectively typical for any system the feature of the dynamic transition of the aim (future) into the action (present) and then into the result (past), which enables to achieve the dynamics of the steady development as the non-stop process of movement in the steady features (safety, efficacy, competitiveness) on the time axis system.

Directly the process of analyzing the technique and competiveness management at the agrarian enterprises has the following stages:

1. Determination of priorities in the competitively resistant development of the agrarian enterprises (aim, principles, criteria and indicators of estimation by efficacy, safety, competitiveness).

2. Determination of the level of the competitive potential for agrarian enterprises considering the factors of the internal environment.

3. Determination of the main principles in increasing the competitiveness of the agrarian enterprises considering the factors of the external influence.

4. Determination of the market leaders, which with the biggest probability can accept and implement the strategic purposes of the development, which are the points of growth.

5. Determination of the factors (produce), which have the steady dynamics in the growth of sales and the profitability for the purposes of forming the competitiveness, which is recommended for the extension in

the production structure.

6. Recommendations on improving the production in accordance with the profitability and dynamics of changes in the market conjuncture for maximizing the company's profits.

7. Estimation of the potential, selection and utilization of the most efficient tools (economic-organizational) and levers (competitive potential, result of competition) for the mechanism of the competitive functioning by the criteria of the steady development. Each of the research stages reckons for the systems of estimation methods and analysis of the objects' conditions.

Within the mentioned model, firstly, the calculation of competitiveness indicator takes place for the studied agrarian enterprise in comparison with the currently competitors acting for a long period at the market. Such a calculation makes possible to estimate the level of the competitive potential in the actions of the business entity, analyze its dynamics and changes in trends.

Secondly, during the same period, technical-economic indicators of company's functioning are calculated, which reflect the interaction of the most important factors that influence the company's competitiveness.

Thirdly, the level of the influence of the external factors on changes in the level of competitiveness is analyzed in the study. The analysis makes possible to carry out decomposition of the indicators, determine the most essential ones among them from the position of the influence on the competitiveness in the agrarian enterprise. At that it is worth considering that the strategic focus of the business develops under the influence of the environment, its parameters can influence the strength and direction in the connection with the entrepreneurial focus and results of the company's work [7, 8]. It is the dynamism, which is one of the characteristics of the company's environment that reflects the level of uncertainty and speed of changes in the area [9]. Changes at the market are caused by the technological innovations, transformation of the consumer demand and advantages, unpredicted behavior of competitors [10]. The dynamic external environment creates difficulties for the enterprises, which work under the conditions of uncertainty along with that it opens new possibilities for extending the business, formation and development of the competitive advantages [11].

Fourthly, the certain measures are being developed, which are aimed at the purposeful change in indicators, it provides the growth in

competitiveness of the enterprise.

Fifthly, owing to the utilization of the resulting model of the studied dependence, the predicting value of the level of the competitiveness in the agrarian enterprise is determined under the conditions of implementing the mentioned measures development of the strategy for further development of enterprises based on steady development.

It is essential to determine that the represented analysis model and the enterprise management with the purpose of increasing its competitiveness can be applied while making ling-term strategic plans, including the operational planning, acting as the universal tool for managing and planning the activity of the agrarian enterprise. Having developed and implemented the strategy, the enterprises should estimate the efficacy of their efforts, moreover because the process of developing the strategy is cyclic. At the moment, there is a problem of estimating a certain change whether it is positive or negative. As a result, of the application of that model, the enterprise will be able to specify the situation and observe changes, change the strategy or a set of the strategic ideas, determine the measures, resources, terms, which are required for implementing the set goals.

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THE INCIPIENCE AND AWARENESS OF THE MANAGEMENT-EDUCATION ROLE IN UKRAINE IN THE CONDITIONS OF ECONOMIC INSTABILITY

The development of a European educational space in Ukraine, globalization processes requiring a manager of knowledge of advanced knowledge, modern technologies, self-improvement and self-education, require continuous improvement of managerial training, which should be based on the analysis of promising areas of technological and socio-economic development, the realization of the real "growth points", interest in changes to the best. The manager is the category of personnel who, to a greater extent, than representatives of other professions

determine the future of entrepreneurship, educational institution, create incentives for productive labor. No one needs to be convinced that the cadres solve everything, ensuring socio-economic development.

In Ukraine training of personnel in general and managers, in particular, is provided primarily by higher educational institutions. Each year, more than 90 thousand specialists graduate higher educational institutions of the I-II accreditation levels and more than 480 thousand people - III-IV accreditation levels [7, p. 11].

And this, as the world experience shows, is impossible without the effective management of education, ensuring its compliance with world standards.

After all, without knowledge of the technology of management in modern conditions, it is impossible to effectively manage any organization.

Management is an element of management and in relation to it covers a relatively narrow sphere, which includes social systems (people). The purpose of the latter is the production of goods and services, their implementation. The concept of "management" comes from the English "to manage" and means "manage", "lead", "be able to cope with something, some problem," and so on. The Oxford English Dictionary states that "management" is, firstly, the way and manner of communicating with people.

The concept of "management" appeared on the threshold of the nineteenth and twentieth centuries, when large enterprises are formed, with the emergence of which there are problems of communication. The modern stage of management development combines:

- human resources management;
- business management for the harmonious development of society.

Functions, principles, methods, means by which there is a purposeful influence on objects of management - these are components of management to achieve the set goal.

The concept of "education management" appeared in the second half of the 70-ies of the last century. Since then, the concepts of "management" and "management" are identified. After all, the main component of management are people who occupy certain professional positions in the structure of the organization or a team of people in which management is carried out to improve efficiency, namely:

- production management by means of special methods of planning, regulation and control of economic activity to increase its efficiency;
- specific organ of a functioning company, representing its

management;

- the union of managers, which may be of a formal and informal nature.

Effective management of people and production. reveals the essence of the basic definition of the concept of "governance" and "management".

The "management" in the realm of education is the system of management activity of any educational organization in a market society. In a situation where the problems of development of the educational industry are not subject to formalization, and the application of standard schemes to solve problems does not bring the desired results, applied creative management, aimed at the most complete realization of creative potential of employees. The main task of the manager in this context is the organization of the educational process as a new combination of resources. Creative management in the educational sphere promotes the search for new effective methods of work in the transition to a new model of education development, and the creative manager facilitates the management of the object, solving problems jointly, comprehensively, ensuring a consensus of popular interests, etc.

These problems are highlighted in the researches of Alekseyev Yu., Becker G., Beskid Y., Bobalo Yu., Vakarchuk I., Vitrenko Yu., Vaschenko L., Dmitrenko G., Yelnikova G., Yefimov E., Zgurovsky M. Kamenska L., Kigel R., Kremen V., Kutsenko V., Maslov V., M. Matveyev, V. Oleinik, T. Schultz, V. Yablonsky and many others.

The mentioned issues were also studied by Grazhdan V., Drucker P., Nikulina I., Sitnichenko E., Fomichev A., Shchedrovitsky G. The same Drucker P. disclosed the role of management as a managerial institute. In his view, management as a management paradigm combines systemic management, institutional principles and management practices.

Education management contains all that is included in the concept of social and human technology [2]. That is, management education envisages the creation of conditions for the successful functioning of educational institutions, performance of the main functions - forecasting, planning, organization, motivation and control.

So, it is not surprising that countries with a socially oriented market economy pay special attention to the system of training of personnel in general and managers, in particular. Managers who have a high level education become the main productive force.

The activities of the manager in education are aimed primarily at the development of spiritual and production, in part, material values. The

manager is a specialist who organizes a specific job of a certain number of employees, guided by modern methods. Managers work at all levels of management of educational institutions, which allocate relevant structural units. The manager is the head of a structural unit in a market economy. Managers include managers who do not have direct subordinates (in the legal sense of the word), but are responsible for a certain area of work with access to external management (various kinds of administrators) or with partial management of subordinate people (for example, heads of scientific topics).

The manager optimizes the conditions for using management tasks to regulate system innovations in the process of transformation of the educational sphere, in particular:

- actively uses strategic management and planning;
- contributes to the transition to a new management model, in which the central system-forming element becomes an orientation towards achieving the result;
- promotes the dissemination of systemic innovations in the educational sphere;
- creates preconditions for influencing the system of sources of management of the most dynamic management, namely - innovation.

The focus of innovation management in education management is to develop a strategy for educational innovation within the educational sphere. Innovation management is designed to guarantee the most effective use of innovations to ensure the development and sustainability of the education system in a dynamic market environment [4]. From this, we can conclude that innovative management in education is a personality-activity approach, when the personality and management activity are interpenetrated, aimed at the active use of new technologies in the educational sphere.

Activity of the manager in the educational sphere should be directed on activation of innovation-investment activity in all economic structures. This should be the main functions of management. The functions of education management, formed in the process of creating an extensive structural and functional system of the educational sphere of the present society, require a somewhat new essence and content of management activity at all levels of management of the industry [5].

Among them:

- definition of the main tasks of educational institutions of all forms of ownership;
- Education, legalization and support of the life of educational

institutions;

- financing and organization of implementation of decisions in the educational sphere;

- control over the functioning and direction of the further development of educational institutions, etc.

As practice shows, education management performs many functions that can be classified according to:

- levels of government - national, regional, management of the educational sphere of territory, local (level of local government and self-government);

- educational levels - management of preschool, general, vocational, higher, extracurricular, postgraduate education subsystems, of which each level is a subsystem of the general management system in education. Each hierarchical level is aimed at managing lower levels, and, for example, a higher education institution, a school, a preschool institution, an institution of postgraduate education, directly implement the mission of education in relation to training, education, development of the person, formation of a specialist, training of managers and pedagogues;

- objects of management - management of educational institutions of different types and types (institutions of pre-school education, schools, lyceums, gymnasiums, colleges, institutes, universities, academies, etc.);

- processes of management of teaching and methodical work, educational process, work with managers and scientific and pedagogical staff, improvement of qualification and retraining of personnel; scientific activity in higher educational establishments, establishment and expansion of international cooperation in the educational sphere, development of social and material and technical base of the industry, etc. [5].

At the same time, the management of education provides the following features:

- all components of management acquire a socio-cultural activity dimension, and their objects become real people and educational processes;

- education management becomes subjective;

- education management is subject to the interests of its object, in accordance with the principles of the sovereignty of a citizen (democratization of management) and consumer sovereignty. In a context of globalization and an increase in the level of openness of the economy, the quality of management education should be in line with

the world level, and managers in this field of science should seek such results, which reach the managers in the education of advanced countries. And this means that education in the field of management should be aimed at training specialists who can bring the educational institution to the world level of management.

In shaping the new quality of management education, an important role is assigned to higher education institutions that train staff close to the needs of the real sector of the economy. Currently, the quality of training as a whole, as well as the quality of training managers is not enough. So it is not surprising that many students of Ukrainian higher education institutions are oriented not to obtaining knowledge, but to obtain a diploma. And the high attractiveness of the qualification "manager" is accompanied by low motivation to mastering the profession.

Effectiveness of management in the field of education management, successful solving of scientific and technical and humanitarian problems of the educational process in accordance with the existing basic education and strategy of development of the educational sphere, requires:

- analysis of demand for relevant educational services;
- identification of factors influencing demand and its satisfaction;
- creation of a flexible educational system, which will provide the opportunity for training of the relevant specialists, based on real needs;
- designing the corresponding parameters of a specialist on the basis of state educational standards;
- provision of conditions enabling each teacher to become a technologist of higher qualification who develops and implements individually developed technology of the educational process;
- achievement of the relevant criteria of teaching and methodological work, which is a part of educational and educational programs that are used in the educational process.

A successful manager in the field of education must combine profound knowledge of several specialties that allow him to understand the broad segments of the economy, public administration, and the educational sphere. The managerial profession reflects and implements the specific features of market relations, acquires a mass character, becomes a mass category of the employed population.

Experts say that now this category of workers includes 20-25% of the employed population [3].

Recently, reforms in the educational sphere are being returned by

Ukrainian higher education institutions in the mainstream of higher education, which meet the requirements of globalization for the creation of a single educational space, adherence to educational standards, curricula, teaching methods and quality control of education.

Quality management education is provided by: educational and methodical developments prepared on a competitive basis; conducting master classes; Compliance with a comprehensive approach to ensuring high-quality managerial training; participation of students of higher educational institutions in international competitions, conferences, round tables on the subject of management education; qualitative selection of future students who have complete general education knowledge, etc.

Moreover, in recent years, higher education has intensified the innovative orientation of scientific and pedagogical teams and students, stimulating their initiatives in the process of articulating positive and negative effects, assessing available resources and identifying prospects for development in the context of the necessary improvement in the quality of the educational process and the achievement of new academic successes.

Educational management in the field of regulation of the development of the market of educational services (with the application of flexible, economic, entrepreneurial, social and educational management approaches) is designed to ensure the high efficiency of the production of an educational product (educational service). In this context, management education contributes to risk prevention, prompt response to changes occurring both in the economic and educational spheres in accordance with current social needs, market conditions of services and labor market, and strategic factors of the country's development in the context of the knowledge economy etc. That is, the quality of education in general and management education, in particular, should meet the needs of the state, the population, employers, innovation development of the country.

An education manager should be interested in continuing education. And this should be reduced not only to the constant reading of professional literature. Each student - the future manager-educator should join the science, to form their own creative interests. Therefore, the paradigm of training managers should be directed to a combination of training and research activities, the education of a specialist who, in everyday life, manifests himself as a highly educated person, meets the requirements of etiquette*, clearly expresses his thoughts, is able to listen to the thoughts of others. Management education should be

constantly improved.

And this implies the modernization of education by stimulating innovative academics; improvement of educational-methodical complex; development of priority scientific research in higher educational establishments, which ensure the formation of competences of student youth; active deployment of standardization processes in education and realization of educational space, etc.

Requirements for the development of management education should be built as follows: a decent quality of life of the population and improvement of human potential, which is conditioned by the quality and efficiency of management (management), which, in turn, are determined by the level of professional training of managers, their competence and value systems.

It should also be noted that the problems of management education development are common to all higher education institutions. The presence of specifics at the regional level leads to a peculiar manifestation of competitive problems and the emergence of a number of non-standard conditions.

Equally acute problem is the connection of higher education with real needs of practice. The content of education should be consistent with the demands and expectations not only of employers but also of the state, society, and population.

Therefore, when preparing managers it is necessary to form competencies associated with:

- ability and desire to develop and achieve management objectives, dialectically combining the interests of various stakeholders in the activities of enterprises (stakeholders);
- education of necessary competences;
- respect for the authorities;
- awareness of the necessity and importance of public administration and regulation of socio-economic processes and activities of individual educational institutions;
- the ability to constructively engage with state and municipal authorities and management to jointly address the problems of enterprise development;
- ability to participate in the preparation, development and implementation of plans and programs for socio-economic cooperation with the state and municipal authorities and management;
- readiness to use effectively the possibilities of business development, forming during the implementation of projects and

programs, measures on state regulation of the economy.

Thus, when forming a new quality of education in the field of management, higher education institutions should proceed from the main goal of management - harmonizing the interests of society, state, owners, population, and also taking into account the objective specificity of structural and technological heterogeneous economies, and so on.

The transformation of management education is due to the factors of the functioning and management of educational institutions at the state, interstate and international levels. Recently, according to the results of our analysis, in the educational sphere of Ukraine, there are profound changes due to: rapid aging of knowledge and skills; the need for their constant updating; the transition from rigidly regulated forms of dissemination of knowledge to education throughout life.

If until now knowledge was important, now they are vital. In these conditions, there is a need for new approaches to the management of the entire educational sphere, serving an integral set of educational structures, relationships, activities and consciousness that provides reproduction and development of intellectual potential of society.

Improving the training of managers in the field of education requires the formation of an appropriate information and educational environment, which, according to experts, is:

- systematically organized set of informational, technical, educational and methodical support, which is inextricably linked with the person as the subject of storage, the transfer of information that provides operational access to information, as well as carry out educational scientific communications;

- a set of conditions that contribute to the emergence and development of processes of information and learning interaction between students, teachers and means of new information technologies, as well as the formation of cognitive activity of students, provided that the content of the medium is filled with the subject content of a specific academic discipline, various types of educational, demonstration equipment, software and systems, teaching aids, etc.;

- pedagogical system and its maintenance, that is financial-economic, material-technical, normative-legal or marketing subsystem and a subsystem of management; a system integrating informational, technical, educational and methodological support, is inextricably linked with the subject of the educational process; Information and communication visual environment providing computer support for the

learning process;

- software and telecommunication system, aimed at conducting the educational process by the only technological means, which provides its informational support;

- socio-psychological reality, in which the psychological and pedagogical conditions that provide cognitive activity and access to information technologies are created;

- cultural and educational environment, where the main carrier of educational information is an electronic resource; a tool for managing the process of informatization in education, as well as a multicomponent complex of educational resources and technologies that provides informatization and automation of educational activity of an educational institution;

- naturally or artificially created environment that contains in itself various types of means and content of education, capable of providing productive activities of the learner [1, 6].

All of the above, it would seem, should have a positive impact on the socio-economic indicators of the country. Moreover, in Ukraine managers are trained in almost all higher educational institutions. However, this has not yet led to a better situation in the country's economy. Diversification of the same forms of ownership that took place in Ukraine has led to:

- significant reduction of the state sector of the economy;

- creation of enterprises of various organizational and legal forms;

- weakening of the system of management of socio-economic and scientific and technical development.

In these circumstances, the manager's role is substantially increased. Therefore, not only the preparation of high-quality managers, but also the effective use of their potential is extremely important. This can be achieved by mobilizing the efforts of managers to ensure productive use, preservation and restoration of raw material, labor, production and other elements of the organization, industry, and state potential.

At the same time, according to the results of our study, there are limitations and threats to the preparation of high-quality, competitive managers to date. Among the latter: the lack of external and internal investment to ensure the intensive and qualitative training of managers; imperfection of the structure of training in general and managers, in particular; the spread of structural unemployment; part-time employment; ineffective use of human capital; shadowing of the economy, etc.

In this context, the educational potential of training managers should be directed towards solving such functional problems that, above all, contribute to the growth of the intellectual potential of society. The latter should help and have a wide network of higher education institutions in Ukraine, where managers are trained.

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COMPETITIVENESS OF THE RESORT-RECREATION SPHERE IN CONDITIONS OF INNOVATION DEVELOPMENT

Sustainable development of the resort and tourism economy against the background of increased competition in both the external and domestic markets, it is possible only with a radical increase in the level of competitiveness of its subjects. The market of resort-recreation products consists of numerous and diverse resort-recreation systems, tourist companies, hotel enterprises and various structures. They aim at the organization wellness and rehabilitation treatment and tourist tours for rest. Resort-recreation systems are complex systems aimed at the implementation of the treatment and prophylactic process, the treatment and restoration process taking into account the influence of resort and physiotherapeutic factors in conjunction with modern medical technologies. It should be noted that the modern resort-recreational market, unlike most other really existing ones, is a market in which a significant part of sales should be consumed by the state with the help of budget and extrabudgetary financing. In this case, the state must consider all public costs and benefits, and not only those for which explicit are payments made. That is, it should take into account the indirect economic effect of the resort-recreation activities associated with the reproduction of labor resources. Thus, the public sector should serve as an adjunct to the resort-recreation market where the motivation for it is obvious and to the extent that is necessary. In addition, in the resort sphere is occupied by quite a large group of people. In a number of cities, this sphere is a city-forming factor, crisis phenomena in which lead to large social consequences. It should also be noted that Ukrainian resort-recreation complexes do not have the necessary experience of functioning in market conditions and far behind the level of

management of foreign competitors. This affects the efficiency of their activities in the market of resort-recreation products and leads to an unsustainable overall financial and economic state [1].

One of the topical trends characterizing the modern processes of the development of resort areas is the growing competition of regions. It is determined by the globalization of economic development and increasing competition in all spheres of activity. Such a situation necessitates the production of resort-recreation systems of competitive goods, which, in turn, determines the level of competitiveness of the region as a whole [2]. In developing strategies for increasing the competitiveness of the regional resort-recreation complex, it is necessary to keep an account of the factors that influence the decision of the problems of the territory, namely:

improving the management of the innovative development of the resort-recreation complex as one of the unique natural recreational facilities;

attraction of investments and introduction of innovative technologies in order to preserve and update objects of the resort-recreation and tourism sphere.

Consider some modern approaches and methodologies of innovation management in conjunction with the competitiveness and competitive advantages of resort-recreation systems.

The theory of entrepreneurial ecosystems deserves special attention, since it can be used to solve the problem of finding competitive advantages of recreational systems [3]. J. Moore, the author of the concept, compared the environment of business with the living environment (ecological system), in which there is not only struggle, but also evolution, cooperation and interdependence. In business the company's success also depends on the environment, so managers need to think about the company as an element of the ecosystem, where the interests of all business members and members of society are related. Instead of a strategy aimed at creating unilateral benefits, the firm needs to become something like a gardener who grows and maintains an ecosystem. It combines the influence of the environment, competition and evolution, in connection with which this phenomenon is called "co-evolution". When creating an ecosystem it is important to find such a market niche that will not slow down the growth of the company and at the same time quite distant from competitors. In the second stage - expansion - the ecosystem is strengthened by creating a supportive environment from distributors, suppliers, consumers, and other business

players and obtaining mechanisms of survival if the threat of alternative sellers can be overcome. The third stage, the struggle for leadership in a mature ecosystem, where, along with partners, competitors are present. Then regular cost reductions, restructuring, subcontracting, etc., and the main lever of support for ecosystems are innovations that are attractive to customers and partners. The basis of the strategy is the close industrial relations with partners, easier access to resources of all kinds, the definition of what is expedient to carry out on a larger scale, which business lines should be funded. Finally, the fourth stage is the ecosystem crisis due to aging, collision with another ecosystem or unfavorable change in habitat. It is possible to try to transform considerably an ecosystem, having studied the reasons of its decline and to rally all parties interested in survival, but success is not guaranteed. It follows from the conclusion that separate economic entities will be easier to build their relationships in case of support and coordination of their innovation activities at each of these stages. In our opinion, the coordinating function should be carried out by the bodies of state administration of the national economic system, which will guarantee a competitive success for all incoming economic systems and subsystems.

Another attempt to solve the dilemma of "competition or cooperation" was the theory of "competition" (cooperation plus competition), proposed by A. Brandenburger and B. Neilbaff [4]. In business, they believe, there is no fatal inevitability of winning some and losing others, many participants can benefit. Scientists proposed to apply the theory of games, which allows them, in their opinion, to make flexible combinations: to change the composition of players, to vary the values made by the participants of the business, to determine the rules and tactics of the game, its scope and scope. For example, in the struggle for investors firms are rivals, but in certain cases, it is advisable to cooperate, by reducing the cost of the contract, the development of capital investments, as well as the produced product, seeking a higher level of consumption at lower cost.

G. Hemel and K. Prahalad first proposed innovative concept, based on the search for factors of growth of competitive advantages in the XXI century [5]. They believe that the perspective of the subject of governance is determined not by the primacy of the present, but on future markets, calling it intellectual leadership. Future markets do not yet exist, but they need to be represented now and seek to form them, which may take more than five years. G. Hemel and K. Prahalad has abandoned the traditional principles of strategic planning and introduced

terms such as "strategic intentions" and "strategic architecture" that mean clarifying the contours of the future industry as it is created. In their view, to win the place in the future markets, we should not restrict the strategic goals of existing resources today, but move away from the resources as much as possible. If the direction is chosen correctly, and all structural units move towards the goal in a coordinated manner, resources should be increased on the road. The use of such an approach focuses on the management of the resort-recreation system on the constant increase of resources, the comparison of their structure with the direction of movement, becomes a process of using all the capabilities necessary for the next step towards the strategic goal. At the same time the activity is not limited to the satisfaction of today's consumer needs, but is aimed at the development of innovative resort-recreation products and the formation of markets for them. The most important condition for intellectual leadership by G. Hemel and K. Prahalad called the skillful use of "basic product features" (potential development and use of innovative product) and "key competencies" (knowledge and skills of people). Extremely important in this theory is the provision that competitive advantages are created throughout the organization, when the whole team, and above all senior managers, are unanimous about how to move to the future. It follows that the creation of a competitive advantage in the resort and recreational system requires the efforts of all its participants. In our opinion, to maximize the benefits and level off the negative aspects of the concept, it is necessary to build a strategy for the development of the microeconomic system, based on the differentiation of individual units and companies. In this way, one can answer the challenge of the near future, in which, according to G. Hemel, the competitive advantages are not related to products, efficiency and scale of activity, but with the introduction of non-linear innovations and non-standard solutions.

The systematization of modern theories and approaches to the definition of competitiveness allows us to say that in each of them there is a certain one preferred characteristic (a number of characteristics), serving as a key parameter, a factor that determines the level of competitiveness of the economic system at one level or another. Hence, it can be argued that the use of the methodology of system analysis can overcome the contradictions that have developed in the analysis of competitive advantages in terms of innovation development.

It can be argued that the property of competitiveness consists of two main components: adaptability and innovation. The adaptability of the

resort-recreation organization will be understood as the property of adaptability, as the form of relations of the resort-recreation system with the external environment, as a process of internal organizational transformation. In turn, innovation will be represented as the ability to update as internal organizational processes of transformation according to the criteria: technology, minimal cost. In other words, the upgrade processes should be constant and rhythmic, technological, that is, standard procedures for achieving the goals of the update, as well as implement updated processes with minimal cost. If adaptively characterizes the reaction of the resort-recreation system to changes in the environment, then innovation is the basis of such a reaction, the perception of decisions in its activity, the change of activity is directed on the basis of the development of new elements. Adaptability meets the need for existence in an environment with established properties. Innovation implements the notion of the structure of the recreational system, the source of adaptability, that is, corresponds to the concept of sufficiency.

Consequently, the properties of adaptability and innovation determine the necessary and sufficient conditions for the formation of the property of the competitiveness of the resort-recreation system. In turn, the creation of these properties of resort recreations relies on more private properties of system elements.

The property of innovation is based on the ability to master two types of innovations. On the one hand, it is the medical and technical innovations connected with the renewal of the therapeutic and technological component of the resort-recreation system. Another important component of innovation is social innovation. The technical and instrumental basis of this kind of innovation is a set of mastered social technologies. It is known that the effectiveness of resort-recreation innovations is determined by the system of measures for the organization of personnel to change the set of samples of sustainable behavior, which provides service, comfort and technological requirements of this innovation. In addition, the technical tool for social innovation includes methods for forming corporate values, corporate culture.

It should be noted that the prospects for the development of the resort-recreation economy are now accepted to be associated with the emergence of an innovative economy [6]. Innovation as a peculiar form of chaos can be an impetus and a mechanism for reaching one of the possible development paths, corresponding to the internal tendencies of

the resort-recreation system and provides its new qualitative status. In this the essential role and constructive role of innovation factors for launching the processes of self-organization in the recreational system and preparing it for different scenarios of development is essential. Innovation as a kind of chaos is a factor in bringing non-linear systems to its own attractors.

Since innovation is an element of chaos in relation to the existing resort-recreation system, their implementation causes the process of self-organization in the system, aimed at adapting the new element to the structure. In order to accelerate adaptation the recreational system produces relevant internal innovations, interconnections between elements are complicated the structure of the system changes. At the first stage of self-organization to ensure the stability of the system, the number of its reactions (internal innovations) should correspond to the number of external signals. The system builds a structure in which each external influence, the element corresponds, is capable of generating internal innovations and affecting the change in the structure of the system.

At the next stage the resort-recreation system evolves towards an increasingly orderly state. This is achieved by means of a hierarchy of elements: the parameters of order are established, the principle of subordination is included, an effective group of homogeneous internal innovations is provided, allowing adapting with the slightest changes in the structure of the system, and, therefore, with the least cost. In other words, at this stage there is an adaptation of the resort-recreation system. The system is in relative balance, and the crucial importance is gained by the endogenous innovations promoting fast adaptation and self-organization.

Resort-recreation system selectively approaches the response to exogenous innovations, setting a rigid regime for their penetration. It perceives only actions that are in line with its nature, any other can act negatively, until the implementation of chaos scenarios. Having achieved a certain measure of internal strength, nonlinear recreational systems, activate, structure the outer space according to its nature, originally given environment. At this stage it is necessary to develop an appropriate management paradigm, which has developed the necessary goals and "included" adequate internal mechanisms of development of the resort-recreation system. Thus, the property of innovation can be regarded as a violation of the usual way of functioning of the recreational system.

We study the problem of forming a high level of competitiveness on the example of the choice of specific levels of development of its two components: the adaptability and innovation of the resort-recreation system. The task is formulated as a choice of a set of alternatives for combining the data of two indicators by the criterion of competitiveness. Possible relations of the values of the analyzed indicators and competitiveness will be determined on the set represented by the plane in the coordinates of "innovation-adaptability". To streamline the procedure for viewing options for each coordinate, we introduce the appropriate scales in the scale of measurements with such requirements that the maximum value assumes a value equal to one, the minimum is zero. So, in the coordinates of "innovation-adaptability" we select a square with a side equal to "1", the square of the square contains all the many combinations of values of these indicators from the minimum to the maximum. On the whole set of combinations we distinguish five areas that qualitatively determine the size of competitiveness. The ratio of areas in coordinates "innovation adaptability" is given in Figure 5.6.

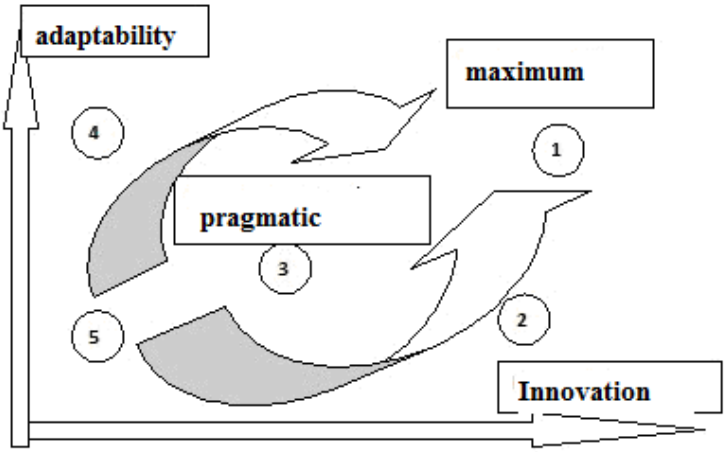

Figure 5.6 Alternatives to the development of the competitiveness of the resort-recreation sphere

Source: built by the author alone

Area 5 on the set of alternatives characterizes low levels of innovation and adaptability, which corresponds to weak competitiveness. The high level of innovation (area 2) is understood as a

well-established system for the search for innovations (both in the external environment and within the recreational system), assessment of their feasibility in the conditions of the resort-recreation system, economic appraisal of their development, the ability of the staff (qualification level) to achieve the planned effect, an effective motivational mechanism for changing employee behavior.

The high level of adaptability of the resort-recreation system (area 4) represents the ability to offer consumers a new resort-recreation product or updated service for a relatively short period of time in line with new consumption requirements. An important indicator here is the magnitude of the share of such a system in this market. The invariance of a share or its increase in conditions when requirements of recreants qualitatively change is an indicator of high adaptability.

The proposed scenario of analysis of the structural elements of the competitiveness of the resort and recreational system allows us to investigate the real level of competitiveness (area 3) and develop strategies for its improvement. As the results of the analysis of the functioning of complex structural systems, as well as the experience of foreign resort companies, show that the self-organization of the resort-recreation system in the choice of the form of adaptation involves excessive resources and managerial capabilities. It is a question of S. Bier's model of plurality of decision-making centers, the decentralization of fractal-based management (the Barnecke model) [7], which studies the issues of redundancy in information flows and decision-making centers. Information redundancy serves as the basis for the formation of the necessary diversity of behavior of the resort and recreational system itself in an externally varied environment. Reducing the cost of material resources is achieved by the reconstruction of the management system of the organization in two directions. Firstly, improving control and, above all, financial through the budget of the profit centers. Second, decentralization of management, transfer of responsibility for interaction with the environment at the grassroots level. A widespread form of decentralization of management is the formation of groups strictly focused on the consumer, and the creation of conditions for self-organization, transition to team methods of work.

Self-organization as a necessity in the problem of diversity of reactions of the resort-recreation system involves a new innovative management system, another form of implementation of the main managerial functions. The key issue in the evolution management of resort-recreation systems, as shown by the experience of domestic and

foreign researchers, is the organization of the coordination function.

System management of the development of a recreational system can be represented by the following sequence of properties: a) system flexibility; b) system adaptability; c) systemic competitiveness; d) innovation [8, 9]. Subsystems should work on the effective use of innovative tools in specific situations. Each independent subsystem working with the consumer must master the tasks of operational diversification of the product range of the resort-recreation product on the basis of the laws of the product life cycle. The variety of the resort-recreation product produced is determined by the level of flexibility of the medical base and tourist facilities. In addition, subsystems must constantly search for a new favorable niche market [10, 11]. A similar form of self-organization of independent subsystems provides the innovative development of the resort-recreation system on the main criterion - sustainable development.

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Chapter 6

STATE AND REGIONAL POLICY OF MANAGEMENT INNOVATION DEVELOPMENT AND DIRECTIONS OF IMPROVEMENT

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DIRECTIONS OF THE UKRAINE TAX SYSTEM IMPROVEMENT FOR INNOVATIVE DEVELOPMENT OF THE STATE

At the present stage of development of Ukraine, the role of taxes as a regulator of the economy is constantly increasing, since taxes are the main tool for generating revenues of budgets of all levels and guaranteeing an adequate standard of living for citizens. Over the past years, more than 80% of the state budget volume revenues of Ukraine are exactly tax revenues. Also in Ukraine the relevance of minimizing tax risks is steadily increasing, in particular due to the constant reform of the tax system. There are changes in the legal framework, rates and tax base, which complicates the conduct of business and control over these processes by the state.

However, there is a definite positive trend; in recent years, Ukraine ranked in the world ranking of "Doing Business" as follows: 112 (2014), 96 (2015), 83 (2016), 80 (2017), 76 (2018) and 71 (2018). In the same rating by the "Payment of taxes" sub-index, Ukraine received the following expert evaluations: 157 (2014), 108 (2015), 107 (2016), 84 (2017), 43 (2018) [1]. In the "Doing Business 2019" rating in terms of taxation Ukraine took the 54th place, which indicates the need for further reform of the country's tax system at the same time as improving business efficiency.

The state, by setting the rates of direct and indirect taxes and their types, stimulates or hinders the development of individual industries or spheres of the economy. However, today the inconsistency of tax receipts with budgets to the financial needs of the state demonstrates the process of tax evasion and requires an increase in the efficiency of their administration. The solution of these topical issues will be possible with the systematic approach to the tax system effective reform, together with the formation of social responsibility of business and citizens.

One of the indicators used by EU states to analyze the main tax trends is the proportion of direct and indirect taxes and their ratio in the total amount of taxes. The division of direct and indirect taxes is related to the method of their establishment. Direct taxes, in contrast to indirect ones, are directly addressed to the taxpayer – its profits, property, and other objects of taxation. The legal and actual payer in this case is the same. Indirect taxation differs from direct; it is established as an increase of the sold goods price and as a result it is not directly related to the profits or property of the actual payer. Consequently, direct taxes are aimed at taxation of entrepreneurial incomes or population, and indirect – directed towards final consumption. Direct taxes are considered more socially fair in terms of the solvency of their payers, since the object of taxation is income or profit.

In addition, direct taxes do not affect prices significantly, but reduce the income of taxpayers – thus affecting the volume of investment and consumer demand. At the same time, they do not change the structure of demand, in contrast to some types of indirect taxes. The direct relationship between the amount of direct taxes and the volume of income contributes to increasing opportunities for the state in regulating economic processes and solving social justice problems at the expense of progressive tax rates. However, from a fiscal point of view, they give way indirectly to the stability of revenues, to the uniform distribution of revenues in certain regions, and to the existence of more favorable conditions for avoiding their payment. In the modern world the combination of direct and indirect taxes is the hallmark of most developed countries. But there is a difference in their ratio.

In recent years, the overall picture of direct and indirect taxation in the EU countries has the following form: direct taxes dominate in Denmark, the UK, Belgium, Luxembourg, Ireland, Finland, Germany, their growth has taken place in Austria, Malta and Slovakia; indirect taxes are predominant in the Czech Republic, Greece, France, Slovakia, Estonia, Cyprus, Latvia, Lithuania, Hungary, Austria, Poland, Portugal,

Slovenia, Bulgaria, Romania and Sweden [2].

The main factor determining the relation between direct and indirect taxes is the standard of living of the population. The low level objectively limits the scope of direct tax revenues. That is why, as a rule, the predominance of indirect taxes in the tax structure is observed in post-socialist EU countries with a young market economy. Instead, the trend towards a reduction in taxes on consumption (indirect taxes), and an increase in the share of direct taxes is observed in fairly developed countries. Accordingly in these countries, opportunities for regulating economic processes and solving social justice problems are increasing due to progressive tax rates.

As a result of the analysis of the State Treasury of Ukraine official reports, the ratio of direct and indirect taxes in Ukraine over the past five years is as follows: 30.9% - 69.1% (2014), 31.2% - 68.8% (2015), 31.3% to 68.7% (2016), 32.8% to 67.2% (2017) and 39% to 61% (2018) [3]. Thus, indirect taxes are dominant in Ukraine, and it is possible to conclude that the instability of economic conditions, the desire to replenish the budget, non-compliance with the principles of economic reasonableness and social justice of taxation has led to excessive tax burden on producers. As a consequence, the national enterprises are not able to receive the level of profit that should ensure sustainable development of production, as well as the level of competitiveness that will allow Ukrainian producers to work effectively in world markets.

Among the direct taxes, the corporate tax and the personal income tax have the main fiscal role. Getting the optimal ratio of tax rates, tax conditions and opportunities for benefits, which will be acceptable both for payers and for society as a whole, is a complex socio-economic process.

As the experience of developed countries shows, the social phase of economic development is preceded by decades of industrial growth, that is, the industrial phase. Studies show that the main principles characterizing the tax system regarding the creation of a favorable tax regime for the development of industrial enterprises include: the share of tax revenues in budget revenues; structure of the tax system; level of tax burden; the existence of preferential taxation; the level of legislative provision of the tax system.

In general, it is possible to stimulate the development of enterprises by applying a differentiated scale of rates of corporate tax depending on the type of activity and the amount of profit [4] to replace the existing standard rate of 18%. Also, one of the main methods of tax regulation is

tax breaks, including tax holidays or zero rates for the development of strategically important industries. Disbursed funds – taxes that are not paid to the budget – should be used for research and development, creation or re-equipment of the material and technical base, increase production and introduction of the latest technologies.

Another option for applying tax breaks can be a tax credit: reducing the amount of tax on profit by the amount of legally approved benefits. According to the world tax experience, developed countries use several types of tax credits, the most widespread of which is investment credit. Such decision in taxation allows to weaken tax pressure on producers and to increase investments in the real sector of the economy.

Another tax benefit is the reduction of the profit tax rate for certain groups of entrepreneurs. Such tax policy is introduced in Ukraine and is called the simplified taxation system, which replaces the corporate tax with the payment of a single tax – income tax for medium, small and microbusiness at significantly lower rates. But the existence of this simplified system has led to the emergence of many "gray" or even "shadow" tax evasion schemes, and now it requires more attention and reform by the state in order to maintain and develop an honest and profitable business while simultaneously detecting abuses of taxes.

We should also pay attention to another factor of a non-tax, but compulsory burden on enterprises: the total transfer to the employer of a social contribution payment (SCP) for a compulsory state social insurance. The SCP rate equals 22 % of the general wage bill, so it is considerably burdensome for many enterprises and causes massive violations of the law by enterprises, in particular the concealment of real wages, unofficial labor relations with workers, etc. Global practice shows that the distribution of social payments between the employer and employee is more effective, that is, both parties have to pay, but at lower rates, which will not be so dramatically increasing the tax burden for both business and citizens.

Also, the taxation of personal income in Ukraine requires a reform. The personal income tax is withholding wages at a standard rate of 18 %, as well as a military fee of 1.5 % irrespective of the size of wages and marital status. Existing tax rebates and social privileges have very little application and do not promote fair taxation, increase revenues to the budget and increase confidence in the government.

According to the existing level of tax burden on wages in Ukraine, it is expedient to analyze wage taxation systems applied in different countries. For example, the US income tax has a progressive scale; the

tax rate may increase from 10 % to 35 %. Reasonably high personal income tax rates apply to wages in Germany: from a minimum rate of 19 % to a maximum of 53 %. Traditionally there is the so-called class system of taxation, where the basis of the distribution of payers to classes laid their social and civic status: single working without children; single, divorced, widowed; married, in case when that one of the spouses is working in the family; both spouses work, but they are taxed separately; workers who receive wages in several places. The presence of tax classes on a social basis creates additional opportunities for using privileges through the transition from class to class.

Thus the factors that have a negative impact on the efficiency level of the personal income tax in Ukraine include the following:

1) The discrepancy between the existing distribution of tax burden and the level of solvency of citizens (the main burden of taxation falls on the low-class and medium-class population);

2) The absence of differentiated rates on incomes of citizens;

3) Uneven distribution of tax burden between different sources of income;

4) The wide spread of the "shadow" economy, which leads to incorrect information about the formation, distribution and redistribution of incomes of different social strata and have a significant reduction in the ability of the state to influence them in the future.

According to these conclusions, it is expedient to consider the possibility of legislatively establishing the minimum amount of income, from which the tax will not be charged at all. Thus, low-income groups will be exempt from taxation; it will provide them a slightly higher standard of living. It is also possible to consider the introduction of differentiated rates of individuals' income taxation in Ukraine, because this type of rate is much more convenient tax instrument than a standardized one. Then it is possible to hope for the fairness and uniformity of taxation of citizens with different levels of income. It would also be advisable to propose a reduction in the tax on passive incomes of the population; this decision will be able to increase the level of investment in the growth of the banking sector, domestic business and the national economy.

Property payments, such as property, transport and land taxes, should also be considered as significant direct taxes. However, the strong fiscal potential of property taxation is not properly used, since Ukraine has not yet developed a modern system for drafting normative monetary valuation of tax objects, so now the tax base is much lower than real

market prices.

There is also a clear link between the ratio of direct and indirect taxes and the level of tax culture. After all, the tax culture itself influences the efficiency of tax collection, the extent of evasion and, together with other factors, creates favorable conditions for increasing the role of direct taxes.

In the conditions of instability of tax legislation in Ukraine, there is a problem of inferior content of both state and local budgets, and at the same time attention should be focused on the formation of the social responsibility of business both in a broad sense and taxpayers in particular. The main stumbling block in the improvement of the tax system is the high level of tax burden on enterprises and organizations of all forms of ownership; it negatively affects the economic and social development of the state.

Under the conditions of catastrophic uncertainty in the national economy, the number of problems arising from the constant influence of the destabilizing factors of the economic and political environment and, consequently, the level of business risks increases – including tax risks – from both the state and potential payers increases sharply. The complexity of the existing tax system often leads to the use of penumbral, shadow and criminal schemes of tax evasion. This fact actualizes even more the need to develop and use modern methods of optimizing and minimizing tax risks in practice, as well as reducing tax pressure on business in order to increase the state budget. At the same time this decision can help to start a process of simultaneously developing enterprises and the national economy of Ukraine as a whole.

A lot of researches conducted by global audit firms, as a result, define modern corporate governance as an important area of concern to institutional investors. Such management along with positive features can have such negative characteristics as: corruption, willful conspiracy, nepotism; incomplete disclosures and insufficient transparency of financial statements; inadequate compliance with existing rules and the lack of a clear division of ownership.

Such examples of activity, unfortunately, also occur in the national economy of Ukraine, and therefore should be analyzed as key problems for the modern business reform. In accordance with this, in Ukraine the need for state incentives for social responsibility of entrepreneurs becomes relevant – the responsible attitude of payers is a guarantor of reducing the risk of tax evasion and the development of the national economy as a whole.

The positive trends are observed in the interaction of the state and business in the process of fundamental reform of the tax system of Ukraine since 2014. The end result of such work should be an increase in the social responsibility of businesses in all sectors; it implies a direct link between the financial performance of enterprises and socially responsible behavior with contact groups of stakeholders.

However, at the moment in Ukraine only a small number of companies can represent the implementation of the principles of business social responsibility. In particular, it is due to the lack of targeted state policy on creating conditions for activities when business units would receive certain competitive advantages from the implementation of social responsibility. Analysis of the experience of European countries shows that the state can initiate and confirm legally such norms, as: preferential conditions for business activities, investment counseling and support for business participation in social programs, and in particular, loyalty to accurate tax payers.

The first step in the process of enhancing social responsibility is the understanding that the key to success is only global coordinated work to improve the national economy, including the tax system, and achieving positive results and synergies will directly depend on effective, thoughtful actions at all levels.

According to the recommendations of the UN [5] and the World Bank, it is advisable to use the following directions for the development of Ukrainian social responsibility policy:

1) Actively inform the public about the principles and benefits of social responsibility of business and its role in the development of state infrastructure;

2) With the help of mass media, to promote social responsibility based on the analysis of successful national and foreign models of socially responsible behavior;

3) To promote public and professional organizations in the work of promoting social responsibility;

4) To participate in the creation and adoption of sectoral, professional and corporate codes of conduct, it enshrines ethical and moral standards of business;

5) To support and to encourage voluntary initiatives of business units in creating positive examples of social responsibility.

Stimulating the social responsibility of enterprises also due to the state tax policy is a prerequisite for increasing budget filling with tax deductions, developing business ethics and a culture of paying taxes,

reducing corruption, promoting fair and transparent business, raising the standard of living of society, and modernizing enterprises not only in terms of the efficiency of the production process, but also in ensuring an adequate level of protection for employees and the environment. The key to this process is the understanding by business entities of their involvement in solving national problems, and also the willingness of the state to meet and encourage enterprises to it properly.

In the system of minimizing tax risks at the macro level, it is necessary to identify a number of measures of state tax policy in terms of promoting social responsibility. In particular, these are:

1) Incentive methods by introducing special administrative conditions for those payers who consistently adhere to the principles of social responsibility;

2) The use of part of tax revenues for the implementation of social responsibility promotion;

3) Development of a system of fines for non-compliance of social responsibility;

4) Placement of government orders in socially responsible enterprises;

5) Reducing the level of tax burden for socially responsible companies;

6) The establishment of state awards and awards for the contribution of entrepreneurs in the development of the social responsibility principles, etc.

As international experience shows, the creation of a mechanism for special labels or emblems, by which the state marks socially responsible enterprises, is also a fairly effective method. Such insignia is intended to inform the public and interested stakeholder groups about the positive company's business reputation. Thus, for example, such a system of labels, developed by the State Fiscal Service of Ukraine for taxpayers applying the principles of social responsibility, can increase the interest in these companies from potential partners and investors, increase the level of competitiveness of enterprises at the national and international level, and also it will help stimulate the development of social responsibility in the business environment.

Another interesting method of state influence in the modern world is socially-oriented investment, based on the reputation of companies and their activities on social responsibility principles. For example, the selection criteria can be such as: transparent business practices; respect and effective cooperation with stakeholders; “white” reputation of the

tax payer; recognition of ethical values, rational use of resources and environmental protection, etc.

Thus, it is useful to conclude that the stimulation of economic development of enterprises through the means of tax regulation is possible in the following areas.

In our opinion, firstly it is appropriate to consider reducing the share of indirect taxes in the taxation system. It should be noted that the fiscal potential of the direct taxation system in Ukraine is quite powerful, even in situation of significant budget losses from tax evasion and unused property taxation. We believe that increasing fiscal efficiency of direct taxes can be due to:

1) Taking measures to transfer the tax burden to high-income taxpayers;

2) Consider the introduction of wealth and luxury items taxation.

It is also advisable to consider granting privileges, state tax credits, tax holidays, and the application of a zero rate for companies in certain strategic sectors, but benefits should have a strictly targeted use of funds with a certain period of time for which they are being introduced. In order to achieve the efficiency and effectiveness of the tax burden and stimulate the socio-economic development of the state, it is expedient to improve the system of social compulsory payments taking into account specific economic tasks of Ukraine on the basis of positive world tax experience.

And also, given the instability of the national economy realities, attention should be focused on improving the economic environment of Ukraine by spreading and promoting the principles of social responsibility of business entities.

Positive results of applying business social responsibility will further increase the level of competitiveness of Ukrainian enterprises in the world market, increase economic indicators; at the same time it can reduce tax risks and will contribute to the socio-economic prosperity of the state.

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UKRAINIAN REGIONAL SURROUNDINGS DEVELOPMENT OF TOURISM FIRMS AND ENTERPRISES

Tourism industry is one of the most promising sectors of the economy in Ukraine. A person employed in the sector of travel services provides work for 4-6 employees from the related sectors of public production (transport, residential lease, meals, clothes and tourist accessories, entertainment, spa and recreational services etc.).

Ukraine presents high recreational potential. Tourist attractions for any taste – mountains, forests, seas, lakes, rivers, artificial ponds, reserved areas, monuments of architecture, historical, cultural and religious facilities, arboreta and landscape gardens, green tourism facilities, recreational and resort zones etc. - may be found all over the territory of our country. Despite that, unfortunately, Ukraine has not become a tourist stronghold for the foreigners yet. Moreover, the worst is that the poor quality of the product and the excessive prices of the national travel market operators make Ukrainian tourists redirecting their attention towards the respective foreign markets. As a result, the national economy loses working positions, currency resources and image of a recreational zone attractive for tourists.

The studies of the state-of-the-art and the development opportunities of the tourism industry were reflected in publications of foreign and national researchers. In particular, they include the works of Ruggles-Brise O., Turner R., Freiermuth E., Pismennyi O.A., Anhelko I.V. etc.

Travel services market is a comparatively new business direction in modern Ukrainian history. Neither quantity nor quality features of the touristic infrastructure left from the Ukrainian SSR correspond to the requirements of competitive operation, especially if compared with more successful international counterparts. The market develops chaotically with the mistakes that could have been avoided. It includes for instance private construction within the reserved areas, forests and other recreational zones (river banks, lakesides, seashores); plowing of artificial and natural waterbodies' valleys; uncontrolled deforestation; pollution of forests, lands and waterbodies with industrial wastes; illegal extraction of minerals; loss of valuable museum and park objects (thefts, atmospheric impact, fires etc.) and so on. The mentioned problems have principally arisen due to the passivity of the government as both the main protector of natural and artificial objects of national wealth, and the main policy-maker. This latter should have resulted in initiating the elaboration of the national tourism development strategy, outlining the clear criteria of the travel services quality, adjusting the control over their fulfillment etc.

There is still no clear classification of the travel market segments and determination of the target customer groups. The operators try selling a standard set of services in disregard with the customer-specific requirements. It is obvious, that the mass marketing is cheaper than the differentiated, and especially the concentrated ones. However, having free access to market information and relying on personal experience, the Ukrainian customers face dramatic difference between the price and quality of travel services abroad and within their country. In addition, this difference is usually not to the benefit of the latter one. This issue becomes even more important when it refers to a foreign tourist. In case no tourists-groundbreakers or an extreme and exotic travelling enthusiast concerned, the Ukrainian touristic product loses out to the foreign one again.

Considering the potential of the national tourism industry, the mentioned above issues and other problems require speedy settlement, and this determines the timeliness of the topic under examination.

The objective of the study is to analyze the operating peculiarities of national travel services market, determine the problems hampering its

development and justify the measures for their settlement.

The World tourism industry is developing rapidly. According to the data of the World travel and tourism council, the sector involves 284 mln persons, provides for 9.8 % of the Global GDP and 5.8 % of income within the global export structure, and these indicators show the stable growth tendency. Despite the evident advantages of the development of tourism sector and making the respective international comparison, it is possible to say that the level of its functioning and influence on the national economy of Ukraine is still unsatisfactory. Thus, in 2016 the direct contribution of the national tourism sector to the GDP amounted to only UAH 29 bln (1.4%). According to the estimates of the World travel and tourism council, in case the tourism industry of Ukraine keeps its current status quo, it will grow up to UAH 39.5 bln in 10 years only (year 2016 to 2026), with its GDP share left at 1.4 %.

As on the end of 2018, the tourism sector of Ukrainian economy involved 214.5 mil persons, or 1.2 % of all the employed, that is 8 times less than the worldwide average. Moreover, the estimated number for 2026 is just 257 mil persons, or 1.3 % of all the employed.

The currency earnings from the sales of travel services made up UAH 3.6 bln in 2018. This is just 3 % of the overall currency earnings, provided from the export of national products and services. The estimated amount for 2026 is UAH 68.1 bln (5.1 % of the overall earnings).

The tourism industry of Ukraine got UAH 5.4 bln of investments in 2018 making up 2 % of the overall investments into the Ukrainian economy. The estimated amount for 2026 is UAH 7.3 bln, i.e. the same 2 % of the overall investments.

Ukraine demonstrates an unstable dynamics of the tourism industry share within the GDP with the falling trend. The external reason for that is the military aggression of the Russian Federation against Ukraine with high probability of terroristic acts in the territories outside the theatre of hostilities.

Similar situation is in the countries suffering the civil or international military conflicts. For example, Egypt or Israel. Despite the high touristic potential of these countries, their economies present the tendencies similar to the Ukrainian one.

Within this framework, the meaningful feature shall be the dynamics of the absolute and relative indicators of the number of tourists, serviced by the touristic enterprises of Ukraine within the period of 2014 to 2018.

Despite the global financial crisis influencing the national economy

quite negatively, the number of Ukrainian and foreign citizens buying the tourist product has been growing up to the beginning of 2017.

Besides the general reduction of the number of tourists (by 17.5 % in 2018 comparing to 2014), there were meaningful changes of their structure according to the citizenship and geographical direction of travelling. The share of the inbound tourists (foreign citizens) decreased − from 10.6 % in 2014 to 0.8 % in 2018. In absolute terms, it decreased from 234.3 to 15.2 thous. persons. Instead, the share of Ukrainian citizens choosing spending their vacations abroad increased − from 56.8 % in 2014 to 81.6 % in 2018. In the same time, the flow of travelers abroad increased in absolute terms too − from 1250.1 to 1647.4 thous. in 2014 and 2018 respectively. As far as both the share and the absolute term of the outbound tourists increased during the whole examined period, it is possible to say that the reasons for such a tendency were not only the wishes to reduce the risks of terroristic threats (2017-2018), but also the search for the higher quality of travel services for moderate price.

Among the internal reasons of the low level of development of the national tourism industry and redirecting of the Ukrainian citizens' attention towards the travelling abroad, one should mention the excessive prices and the poor quality of the national touristic product (Table 6.1).

As we see (Table 6.1), the price premium of the national tour operators is several times higher than the prices for similar services in the EU countries. The prices were reduced only in 2017 which was quite recessional for the national tourism industry. This reduction brought the sector profitability closer to the European level. However, along with the easing of the political and military situation in 2018, and using the window of opportunities related to closure of the travelling direction to the Crimea, the national operators started raising prices for their services without the respective improvement of their quality again.

The comparison of prices for meals and accommodation in Ukraine, which are the main expenses of the tourists, presents the noncompliance with the average income of Ukrainian citizens (2018) (Table 6.2). The comparison included the European countries with the seaside resorts most preferred by the Ukrainians. The prices of the popular Black Sea resort in the village of Zatoka, Odessa region in 2018 were taken to illustrate an example of the national tourism facility.

Table 6.1

The profitability level of tourism industry in Ukraine and separate EU countries *, %

Country	Year				
	2014	2015	2016	2017	2018
Ukraine	247.5	176.4	70.0	14.2	23.4
** EU (28 countries)	14,0	13,1	Data not available	Data not available	Data not available
incl.: Bulgaria	11.4	13.8	14.1	15.1	
Czech Republic	10.3	11.4	12.2	12.9	
Estonia	9.3	10.1	8.4	7.8	
Greece	12.3	8.0	12.3	15.4	
Spain	10.6	9.9	10.3	10.9	
France	9.6	5.8	7.5	7.4	
Italy	14.8	13.5	12.9	13.6	
Latvia	14.2	10.5	10.5	9.6	
Lithuania	9.0	7.3	8.6	6.7	
Poland	17.5	15.5	12.1	14.7	
Slovakia	11.3	22.4	10.0	6.0	
Macedonia	-	12.0	12.9	10.7	

** Source: compiled by the authors base at [3-7]*

***gross operating rate: accommodation and food service activities*

Table 6.2

Tourist's expenses for accommodation and meals (per day) and the average monthly income in Ukraine and some EU countries*, UAH

Indicator	Bulgaria	Croatia	Greece	Romania	Spain	Ukraine
Renting	231.9	119.2	207.2	233.1	136.2	300
Feeding	271.1	214.7	150.9	210.5	152.4	150
Average monthly revenue per 1 person	8264	17529	31110	12290	5397	2020

**Source: compiled by the authors base at [3-7]*

As an example of lodging, the apartments with the minimum amenities (WC and shower unit, air conditioner, fridge etc.) were taken; the meals included the expenses for breakfast, lunch and dinner. As we can see, the prices for the mentioned services in Ukraine are even higher than at the popular sea resorts of Greece, Spain and Croatia. It is worth mentioning that the Aegean Sea resorts in Greece and the Adriatic Sea resorts in Croatia are considered to be among the cleanest ones, and the Black Sea resorts in Ukraine – among the dirtiest ones.

The next factor affecting the development of tourism business is the condition of Ukrainian roads. Now, 97 % of the motorways of Ukraine require scheduled repair and overhaul, the construction of many national roads is still uncompleted. In order to activate the internal tourism, much less to attract the foreign citizens, the amount of the I and II category motorways in Ukraine shall increase by several times. Currently, only 1 % of all the Ukrainian motorways are the roads of the first category, 8 % - the second, 17 % - the third, 63 % - the forth and 11 % - the fifths category roads. Most I category roads are located in Kyiv region − 401 km. Then Zhytomyr region − 232 km, Donetsk region − 230 km, Dnipro region − 226 km and Kharkiv region − 166 km. Some regions have almost no roads of such quality: Kirovohrad region − 1 km, Sumy region − 4 km, Zakarpattya region − 12 km and Chernivtsi region − 13 km [1].

Repair and construction of motorways with hard surface is especially important due to the development of the new segments of the travel services market. These are one-day and two-day tours:

– to Cherkasy region: “Sofiivka” park in the town of Uman, Buky canyon and mountain ski resort in the village of Vodyaniki, Zvenyhorod district, the town of Korsun-Shevchenkivsky, the town of Chyhyryn and Kholodny Yar (Chyhyryn district), the villages of Shevchenkovo and Moryntsi (Zvenyhorod district);

– to Lviv: underground tunnels and romantic excursions;

– to the cities of Radomyshl and Berdychiv, Zhytomyr region;

– to the cities of Pryluky and Nizhyn, Chernihiv region;

– excursions to Khortytsia island, Zaporizhzhya region;

– Hoverla mountain climbing expeditions, walks over the Dovbush cliffs and Yablunetsky Pass;

– to the village of Sorochyntsi, Poltava region [3];

– “green tourism” etc.

The next factor hampering the normal development of the national

tourism industry is immaturity of the state institutions. In particular, Ukraine is characterized by the instability of the managing institutions, frequent changes of approaches to tourism sector management, poor scientific support of tourism development, very low level of fulfillment of its potential. Thus, during last 15 years, instead of reforming the tourism industry the state reformed the central executive body for tourism six times and changed its name. It is characteristic that every time when the name changed the liquidation committee was assigned. It was performing the liquidation of the old body and delivery of its processes and functions to the new one for almost a year. It was quite usual that these processes were always accompanied by a great disorder in term of staff, complete stagnation of tourism industry, nonfulfillment of international agreements. Due to reorganization (liquidation) of the State agency for tourism and resorts, Ukraine has not fulfilled its commitments mentioned in the Memorandum of understanding between the State agency of Ukraine for tourism and resorts and the National Tourism administration of the People's Republic of China on facilitation of the group travels of the Chinese tourists to Ukraine, signed in the city of Beijing on December 5th, 2016. As a result, the Chinese tourists, whose average expenses make up over USD 1000 per person just for souvenirs, are lost for Ukraine for many years.

The Ukrainian legislation on tourism is obsolescent. Considering the external policy vector, it is reasonable to use the tourism as a plot for testing the European standards and working principles. The standards of the Law "On tourism" shall be brought into compliance with the EU Directives on tourism, primarily with the EU Directive of 13.06.1990 No. 90/314 EU [7] on package travel, package holidays and package tours. The Law shall be more applicative, not just declarative, shall contain the main requirements and mechanisms for rendering services by touristic enterprises, promote the development of internal and inbound tourism, which is of high priority for the country, and the activities of the national tour operators exporting travel services.

Considering the processes of decentralization and deregulation currently occurring in Ukraine, the integral management system is required. It shall correspond to current and expected requirements of dynamic development and be implemented at different levels – state, regional, the level of a separate enterprise.

The experience of most countries facing successful development of tourism industry confirms that only a separate body – national tourism administration, which is, moreover, given the respective powers – could

be able to implement the state policy for tourism efficiently. According to specialists, the “European” tourism development model is the most suitable for Ukraine. Therefore, the improvement of the valid tourism development system in Ukraine shall be performed by way of creation of a national tourism administration, i.e. a specialized authoritative management body (independent one or within the Ministry of Economic Development and Trade), which is going to deal with elaboration and implementation of tourism development strategy and state policy for tourism industry, and by its spin-off within the structure of the administrative (Department for Tourism) and marketing (National tourism office) divisions. The primary direction of activities of such a structure shall be: elaboration of an integral strategy for tourism development at the state and regional levels, taking into account the experience of foreign countries; creation of a national travel product, which will be competitive in the international market; creation of a network of travel offices abroad for efficient promotion of the mentioned product; creation of a national Multilanguage Internet-portal for tourism; marketing, promotional and PR activities; bringing of the regulatory basis of tourism industry in compliance with the international standards [4-6].

One of the main reasons of excessive prices for tourist lodging is low productivity of residential construction and its improper structure in terms of the types of accommodation (Table 6.3).

As we can see, even considering comparatively low tourist flow, Ukraine lacks tourist’s accommodation – the load on a bed in the national market is twice higher than in the EU. At the same time, the structure of the national tourist lodging is quite improper (Figure 6.1).

The most developed segments of tourist lodging market in Ukraine are hotels and similar types of accommodation (motels). Their share is twice biger than in the EU. Operation of such facilities requires comparatively significant expenditures. Therefore, the prices for lodging there are higher than alternative types of accommodation with similar purpose. Hence, the assumption, that the worn-out and obsolescent basic tourism infrastructure of the Ukrainian SSR is still actively used in Ukraine, is confirmed again. Instead of this, the low-cost which is popular in the developed countries – the short-term accommodation and weekend accommodation types (hostels) are almost absent in Ukraine – 0.9 % compared to 23.5 % in the EU.

Table 6.3

Comparative analysis of tourist's accommodation in Ukraine (2018) and the EU countries (2017)

Indicator	Ukraine	EU
Tourists, persons	2019576	256416803
Capacity of hotels, beds	126188	30947307
Persons per 1 bed place	16.0	8.3
Capacity of hotels, beds		
incl.: hotels and motels	103794	13660998
hostels	1183	7269760
camping, recreational areas sleeper, trailer parks	21211	10016549

Source: compiled by the authors base at [6-7]

Finally, the share of camping, campgrounds and trailer parks is twice less in Ukraine compared to the EU – 16.8 and 32.4 % respectively. These mean the plots in the forest areas, on the banks of natural and artificial waterbodies, in the mountain valleys, specially equipped and arranged for the tourists travelling by cars. One of the main reasons of small number of such facilities is illegal self-acquisition of forestlands, riverbanks, lakesides and seashores by the bureaucrats and nouveau riches.

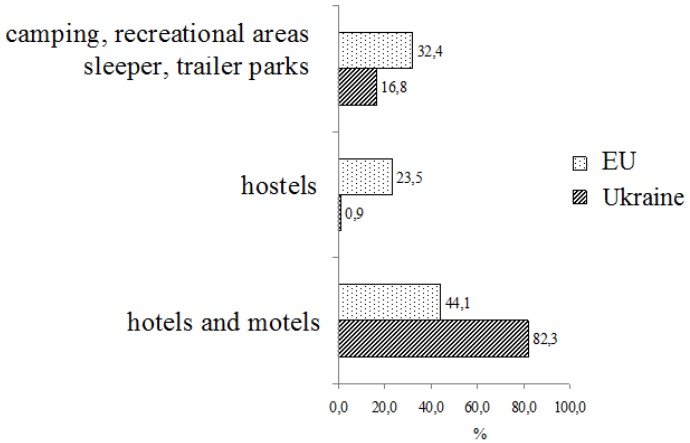

Figure 6.1 The structure of tourist lodging in the EU and Ukraine according to the types of accommodation, %

Source: compiled by the authors base at [5-7]

Conclusions:

1. Tourism industry is one of the most promising sectors of the world's economy.

2. Ukrainian tourism industry presents high resource potential and is able to make a strong positive impact on the development of national economy − a person employed in the sector of travel services provides work for 4-6 employees from the related sectors of public production.

3. Based on the international comparison, it is possible to say that the concerned national economy sector is currently in the state of depression. The actual contribution of the tourism industry to the GDP of Ukraine was continuously decreasing during the last 10 years − from 2.4 % in 2005 to 1.4 % in 2018.

4. The main external reason for decrease of the number of tourists serviced by the Ukrainian travel enterprises from the maximum number of 3454.3 in 2016 to 1814.8 mil persons is the military aggression of the Russian Federation against Ukraine with high probability of terroristic acts in the territories outside the theatre of hostilities.

5. The share of Ukrainian citizens choosing spending their vacations abroad increased − from 56.8 % in 2014 to 81.6 % in 2018. The flow of travelers abroad increased in absolute terms too − from 1250.1 to 1647.4 mil persons in 2014 and 2018 respectively. As far as both the share and the absolute term of the outbound tourists increased during the whole examined period, it is possible to say that the reasons for such a tendency were not only the wishes to reduce the risks of terroristic threats (2017-2018), but also the search for the higher quality of travel services for moderate price.

6. Among the internal reasons of the low level of development of the national tourism industry and redirecting of the Ukrainian citizens' attention towards the travelling abroad, one should mention the excessive prices and the poor quality of the national touristic product. The prices for meals and accommodation in Ukraine are higher than at the popular sea resorts of Greece, Spain and Croatia. At the same time, the Aegean Sea resorts in Greece and the Adriatic Sea resorts in Croatia are considered to be among the cleanest ones, and the Black Sea resorts in Ukraine – among the dirtiest ones.

7. The stable development of the national tourism industry is hampered by the poor condition of the Ukrainian motorways – 97 % of them require scheduled repair and overhaul, the construction of many national roads is still uncompleted. In order to activate the internal and the inbound tourism in Ukraine, the amount of the I and II category

motorways shall increase by several times. Currently, only 1 % of all the Ukrainian motorways are the roads of the first category, 8% - the second category.

8. The factor hampering the normal development of the national tourism industry is immaturity of the state institutions. In particular, Ukraine is characterized by the instability of the managing institutions, frequent changes of approaches to tourism sector management, poor scientific support of tourism development, very low level of fulfillment of its potential. The improvement of the valid tourism development system in Ukraine shall be performed by way of creation of a national tourism administration, i.e. a specialized authoritative management body (independent one or within the Ministry of Economic Development and Trade), which is going to deal with elaboration and implementation of tourism development strategy and state policy for tourism industry, and by its spin-off within the structure of the administrative (Department for Tourism) and marketing (National tourism office) divisions.

9. One of the main reasons of excessive prices for tourist lodging is low productivity of residential construction and its improper structure in terms of the types of accommodation. The most developed segments of tourist lodging market in Ukraine are hotels and similar types of accommodation (motels). Their share is twice bigger than in the EU. Operation of such facilities requires comparatively significant expenditures. Therefore, the prices for lodging there are higher than alternative types of accommodation with similar purpose. The low-cost which is popular in the developed countries – the short-term accommodation and weekend accommodation types (hostels) are almost absent in Ukraine – 0.9 % compared to 23.5 % in the EU. The share of camping, campgrounds and trailer parks is twice less in Ukraine compared to the EU – 16.8 and 32.4 % respectively. One of the main reasons of small number of such facilities is illegal self-acquisition of forestlands, riverbanks, lakesides and seashores by the bureaucrats and nouveau riches.

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THEORETICAL PRINCIPLES OF MANAGEMENT INNOVATIVE DEVELOPMENT OF THE HOTEL INDUSTRY

Domestic and foreign experience in innovative development managing of the regional hotel industry includes consumer interaction and services. The degree of their effectiveness depends on the territorial distribution of facilities, seasonality of work, capacity and technology of selection and accounting of personnel. The result of the hotel industry innovative development is the creation of new working places and the growth of the gross domestic product of the state.

Hotel economy is a complex of services provided to tourists or other persons for temporary accommodation. The list of services first of all depends on the type of accommodation facility and its category, as well as on the strategy of development of a separate accommodation (hotel) and is regulated by DSTU 4269:2003 «Travel Services. Accommodation facilities. Classification of hotels» (further-DSTU 4269:2003) [1].

According to DSTU ISO 9000-2001 a service is a result of the direct interaction between the executor and the consumer, as well as the performer's own activities for satisfying consumer needs [2, p. 11].

In accordance with DSTU 4269:2003 in hotels and similar accommodation facilities provides structural divisions of the service, providing services for an additional fee, that is, additional services. Table 6.4 shows the availability of such departments in Ukraine for the period 2015-2017. Recently, the most popular additional service is the conference service, because in addition to renting halls, equipment, corporate clients increase the loading of the rooms and give work to restaurants. However, the availability of such services is inherent in hotels of category four or five stars, sometimes three. But, according to the table data not every accommodation facilities have the necessary minimum of structural service divisions.

At the beginning of the 20th century the main tool for evaluating services has become their quality. The basic requirements for hotel service quality systems are formed in accordance with international and state standards, and they are aimed at ensuring the achievement of the required quality of services. That is, the quality of service (including the hotel service) – is a set of service characteristics that determine its ability to meet established or predicted needs of consumers (Figure 6.2).

The hotel industry services development tendencies in Ukraine as a whole and regionally can be explored, in the first place, according to generally worldwide accepted indicators – the load factor or the level of use of their throughput capacity. In Figure 6.3 is showed the dynamics of the average annual utilization rate of hotel enterprises in Ukraine.

If we add a trend line and get a model for further forecasting of this indicator, then it can be stated that it will grow in the future, but the probability will be 70.14% (correlation coefficient). At the same time, it should be noted that the coefficient of use of the capacity of domestic accommodation facilities is almost twice lower than the coefficient of use of capacity of foreign accommodation facilities, which load on average is 67.7% [4]. The leader of hospitality from 2009 is France.

The external market environment for the hotel industry acts in the form of macroeconomic (political, economic, social, technological, natural) and microeconomic (competition, suppliers, intermediaries, consumers of hotel services, internal management) factors [6]. The hotel company has market relations with market participants (other hotel enterprises), affects them and is exposed to their influence. As a result of such relations arise the problems of the hotel industry development [7].

Table 6.4

Availability of structural services divisions in hotels and similar accommodation facilities in Ukraine

	Number of hotels and similar accommodation facilities, units.			Availability of structural subdivisions of service on the region, units			Availability of structural subdivisions of the service for 1 institution, units		
	2015	2016	2017	2015	2016	2017	2015	2016	2017
Ukraine	2478	2 534	2474	1 793	1 858	3659	0,72	0,73	1,48
Vinnitsa	75	60	66	32	34	95	0,43	0,57	1,44
Volyn region	66	61	58	17	23	69	0,26	0,38	1,19
Dnipropetrovsk	139	138	120	95	89	185	0,68	0,64	1,54
Donetsk	44	46	45	28	46	70	0,64	1,00	1,56
Zhytomyr	58	70	67	26	26	40	0,45	0,37	0,60
Transcarpathian	213	211	208	107	95	239	0,50	0,45	1,15
Zaporozhye	86	114	131	38	33	234	0,44	0,29	1,79
Ivano-Frankivsk	200	227	244	92	102	171	0,46	0,45	0,70
Kievskaya	234	279	274	359	364	585	1,53	1,30	2,14
Kirovogradsk	41	30	29	25	23	28	0,61	0,77	0,97
Lugansk	23	23	25	2	7	24	0,09	0,30	0,96
Lviv	273	287	277	338	349	496	1,24	1,22	1,79
Nikolaev	66	74	79	14	15	99	0,21	0,20	1,25
Odesa	250	232	208	247	240	366	0,99	1,03	1,76
Poltava	105	76	77	98	106	180	0,93	1,39	2,34
Rivne	46	45	43	9	10	34	0,20	0,22	0,79
Sumy	34	37	35	19	13	49	0,56	0,35	1,40
Ternopil	57	59	57	15	20	54	0,26	0,34	0,95
Kharkiv	123	108	116	66	77	137	0,54	0,71	1,18
Kherson	70	92	57	10	17	177	0,14	0,18	3,11
Khmelnitsky	70	71	74	68	70	130	0,97	0,99	1,76
Cherkassy	75	80	78	41	45	87	0,55	0,56	1,12
Chernivtsi	87	79	75	30	27	42	0,34	0,34	0,56
Chernihiv	43	35	31	17	27	68	0,40	0,77	2,19

The problems of the macroeconomic level those are characteristic of hotel enterprises, such as:

1. Lack of equal conditions of fair competition. Starting up business in Ukraine, the entrepreneur is more concerned about not creating competitive advantages for his business at the expense of effective management, but the search for strong "patrons" who will help to secure his ultimate goal. In this uncomplicated situation for a country's economy, highly efficient hotel companies can experience financial difficulties, while less productive prosperity. Uneven playing rules are the main obstacle to the development of the property industry in the regions of Ukraine, its restructuring and attraction of investments.

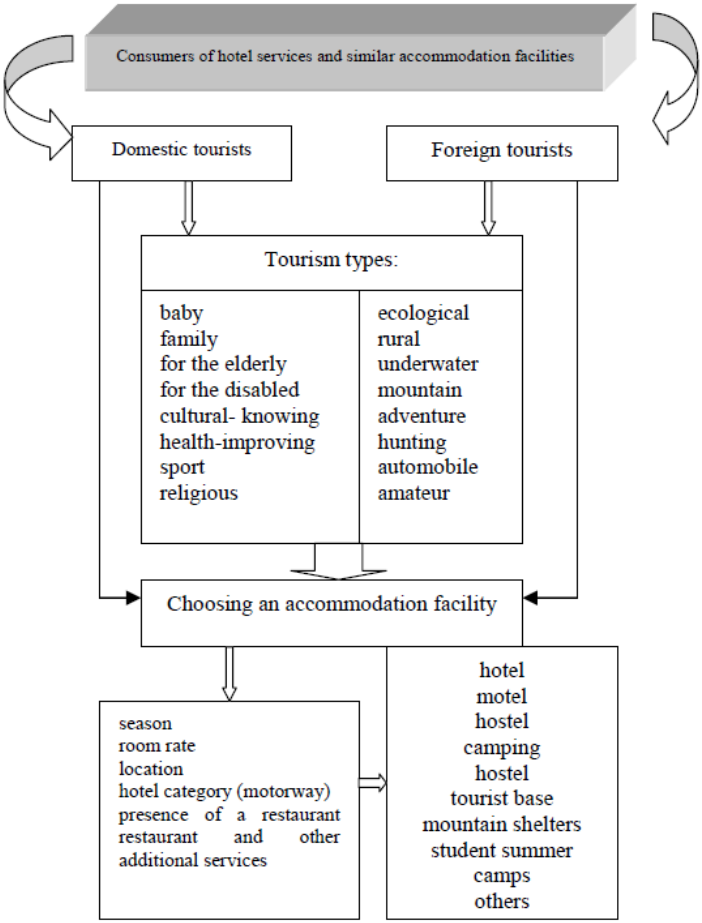

Figure 6.2 Consumers of hotel services and their needs

Inequitable conditions of competition or artificial restraint of market forces, sparing the regime negatively affect the leaders of such hotels, because they do not encourage them to work on improving the range and quality of services provided, their distribution and promotion.

2. Another problem that complicates the work of enterprises can be investigated in the underdeveloped labor market and the lack of «union between labor and capital». Today the salary of Ukrainian hotel employee is significantly different from the earnings of his colleague in

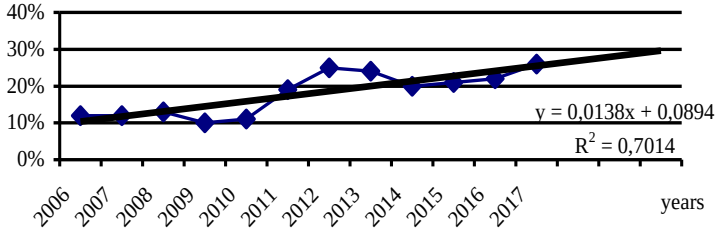

Figure 6.3 Dynamics of the average annual rate of use of capacity of hotels and similar accommodation facilities of Ukraine

an industrially developed country. It should be noted that the share of wages in the incomes of hotel enterprises in Western Europe is almost 40%, whereas in Ukraine this indicator is about 18%.

Management and marketing should take into account the degree of development of market relations, since it acts as a real system, which connects the internal and external activities of the enterprise, as well as coordinates the interaction of all actors included in this system. Bagiev R. L. notes that the formation and functioning of the marketing system takes place in a certain marketing environment, which is created under the influence of factors and conditions of the market space [8, p. 29]. As the main constituents of the market space serves: market, labor market, capital market, raw materials and materials market, information market. Underestimating at least one of these components can lead to devastating consequences.

Identifying the circle of interest groups in the company's activities and their needs is an important step towards a highly efficient business. Interested groups should include not only stockholders, whose interests should be protected by the management of the company, but also by clients, their employees, suppliers and resellers, without which it is impossible to rely on high profits.

Optimal conditions for interested groups should create business processes that take place at the enterprise. They include management of an enterprise through the use of a complex of marketing, product improvement, services, sales promotion, etc. In a competitive struggle only those enterprises that effectively manage business processes win.

Taking into account that the well-being of the hotel enterprise is provided by people who create and purchase goods, the main tasks of a highly efficient business should be:

- fulfillment of obligations to clients;
- fulfillment of obligations to employees;
- fulfillment of obligations to society.

3. Ineffective management in the organization of hotels. Ineffective management can be tracked due to the low loading of hotel rooms and poor service, inefficient organization of work, depreciation of fixed assets, etc.

Another important factor is the sharp decrease in the volume of domestic tourism at the expense of foreign citizens and the predominance of outbound tourism over domestic among Ukrainian citizens. The dynamics of tourist flows over the past three years reflects a decrease in the number of tourists traveling abroad, a significant increase in tourists traveling within the country, and a slight increase in the number of tourists who arrived in Ukraine (Figure 6.4). At the same time, the number of foreign tourists is only 0.75-1.5% (depending on the year) of the total number of tourists. Therefore, we can assume that the real estate market of hotel industry in Ukraine is still catastrophically distant from saturation.

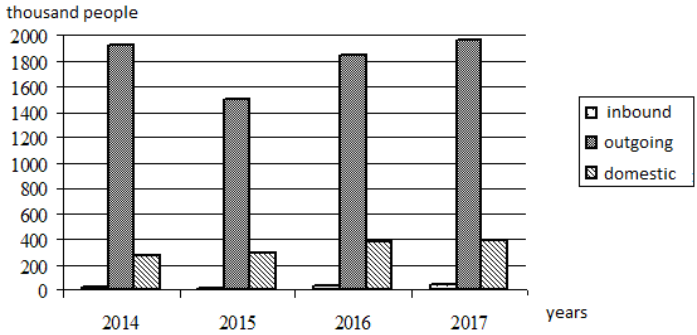

Figure 6.4 Dynamics of tourist flows for 2015-2017

Reduced occupancy of hotel rooms negatively affects labor productivity due to the availability of categories of employees, the number of which can not be varied depending on the customer's filling the hotel. This category includes employees of the administration, engineering, technical, and other services. The hotels have a large number of «extra» staffed units, the need for which depends on the level of occupancy. This further exacerbates the decline in productivity.

4. Inefficient organization of the idea is reflected in the serviceability

of the organization. In the structure of the hotel management is often parallelism of services, that leads to the over the top of the managerial staff. The work of a manager with people is often replaced by superfluous paper work of employees (through various orders, instructions and other instructions). Marketing for practical labor resources management is not tangible. There are a number of hotels and similar accommodation facilities there are no modern management technologies based on the use of computer systems. In most cases, a computerized account of the use of numbers and the management of individual accounting elements is used.

Introduction to the hotel business of new information technologies helps to improve the quality of service while simultaneously reducing staff. First of all, this applies to hotels dependented on the season (resort and tourist accommodation facilities).

5. Outdated fixed assets are another reason for the poor performance of Ukrainian hotels. The enterprises practically do not have the opportunity to invest in the development of fixed assets and renovation of the hotel product, the introduction of modern technologies in service, professional retraining of staff, etc. The degree of wear of the material and technical base of hotels and similar accommodation facilities is quite high: from 20% to 70%. For this reason, a number of facilities require urgent reconstruction. Most means live only «today» and can not afford to think about the future. Lack of funds for development in some cases leads to a reduction of hotel activity and is the result of a partial refurbishment of large hotels for offices, warehouses, etc.

6. The absence of national hotel chains (corporations) is a serious problem of the development and distribution of advanced hotel technology services in Ukraine. The practical absence of national hotel chains on the Ukrainian market leads to the fact that hotel technologies, enterprise management system in every enterprise are being recreated. In some hotels it goes out, but in others it's not. Availability of licenses and state standardization of hotel enterprises does not solve this problem.

The corporate culture that has come to us from abroad, is gradually beginning to be implemented in our economic space. Managed by foreign hotel chains, some hotels in major cities of Ukraine differ significantly from other hotel enterprises. The basis of this, as a rule, is the corporate method of management, which creates its own standards on the basis of generally accepted and inculcates them to their enterprises, while organizing close monitoring of their implementation.

National hotel operators:

- Reikartz Hotel Management: Reikartz Hotel & Resorts (business and resort hotels of category 1-4 stars, resort-hotels, motels);
- Premier International: Premier hotels, Accord hotels (medium-class business hotels);
- Royal Hospitality Group: Royal Hotel & SPA Resorts (spa- and resort-hotels).

The most famous are hotel chains that operating in many countries. Today, the world has 325 hotel chains with headquarters in 39 countries: 60% falls on the US, 40% – to Great Britain, Japan, Germany, Hong Kong, France and Singapore [9].

Also, hotels in Ukraine, which are managed by international hotel chains, are built in Ukraine too. So, in October 2012 VS Energy International NV began work on creating a network of three-star hotels under the trend of Accord Hotels in 24 regional centers of Ukraine and in Crimea. Today, these hotels are six. The Ukrainian hotel chain Reikartz Hospitality Group also does not complete its activities and plans to open new hotels in Kiev and other cities.

7. Training for the industry. More attention deserves the work on training and retraining of personnel for the tourism industry. Currently, there are more than 100 educational institutions in Ukraine that are engaged in personnel training for this branch. In this regard, it is advisable to consider the possibility of creating an organizational and methodological system of this work within the framework of the main scientific and educational center, using the accumulated experience of educational structures working at the regional level.

8. Creating a positive image of Ukraine. For further development of tourism and hotel industry, much attention is paid to propaganda and advertising of national tourism opportunities, the formation of a positive information field around tourism in Ukraine. According to experts, only 16-17% of publications in the Western press about Ukraine can be considered objective. Today, Ukraine abroad is not promoted as a promising country in terms of entrepreneurship and security of tourism business [10].

Problems of the hotel economy at the microeconomic level are formed under the influence of macroeconomic problems:

– the hotel management system does not take into account the complex interaction of the consumer and services. Separate measures are disparate and non-systemic in nature, due to which are characterized by low productivity;

– for hotels and similar accommodation facilities, the uneven distribution of marketing tools and resources at the stages of the interaction of services and consumers at the regional level is typical. Thus, the high degree of concentration of marketing tools and attracting resources is brought to the initial stage of customer engagement and diminishes as it is integrated in the process of service;

– as before, there continues to be a lack of understanding of the specifics of the use of management tools and marketing in the field of hospitality and the lack of understanding of the need for an interconnected systematic approach to the use of hotel management in the region.

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CREATION AND REALIZATION OF ORGANIZATIONAL-MANAGEMENT STRATEGY DURING PARADIGM TRANSFORMATION

The purpose of the article is to analyses added traits of potential of organizational and managerial relations during forced interparadigm transformations. The relevance of the main theme is due to importance for competitiveness and political-economic efficiency. The scientific work`s methodology is based on statistical comparison, which gave an opportunity to reveal the essence of the organizational-management strategy, exploring its dynamics and structure, to identify problems of public-private partnership and ways of overcoming them. Revealed the contents, a refined interpretation of the concept "social and individual interests", and also defined the constituent elements of the mechanism of collaboration’s management. The information base of the research consists of the global recommendations, current legislation of Ukraine, domestic and foreign publications, and studies in the theory and practice of organizational-management strategy in post-Fordist models of interaction. The research resource and methodological foundations of the text are connected, firstly, with classical works and new researches

of global and regional transformations, secondly, with the analysis of correlations between strategy and tactics in organizational and managerial relations' realization, and thirdly, with the technologies of organizational and managerial solving (in particular, thought mechanisms of public-private partnership).

Global transformations (in particular, cardinal) are systemic in nature. They encompass peoples, regardless of the subjective desire and understanding of the logic of processes. However, the study of trends opens up the possibility of a successful reaction, including in the sphere of organizational and managerial relations [1-5].

As you know, eras have different tuning forks. The sacred ideas of humanity receive historically different forms of embodiment. And with the change of conditions, the one who is ready and able to use the new trends to his advantage survives. The potential of sustainability and development with participation in the integration processes of the post-global level and quality is largely ensured by the diversity of life patterns and the combination of the development of new ways with the stimulation of innovative social forms with basic value-semantic complexes. The essence of the ongoing transformations of the social environment of changes is associated with the escalation of the stage (developmental, stage) development, with the overcoming of the material dominant of life activity. The emphasis on animal reproduction is removed by the processes of social creation and reproduction, creativity and replication, which form the basis of spiritual and mental development, providing new forms of tradition based on the value-semantic complexes of the cultural and civilization worlds. Nowadays, leaders create meanings, put forward ideas, outsiders replicate things. In particular, the main feature defining the range of both the emerging strategic transformations and the impact on them is the transition: from the economy of simple labour to the economy of unique creativity; from exogenous quantitative growth to endogenous qualitative development; from the dominant material to the spiritual and moral and intellectual; from formational to non-formational; from exchange on the basis of comparison of goods to exchange on the basis of a comparison of abilities; from the dichotomy of "democracy - autocracy" to meritocracy; from conceptual openness to recognition of the right to self-value and isolation of cultural and civilizational worlds; from cosmopolitanism / nationalism to regionalism and strategic partnerships; from the unity of patterns of globalism to post-global diversity; from directory administration to stimulation. At the same time, the multi-level

cardinal transformations make the regions shock absorbers and balancers of various formations. The ecumene is still preserved and developed by the forces of moral self-regulation, which develops from the mental matrices of the people in the process of gaining historical experience and cyber-socialization, perceived through the prisms of the special value-semantic complexes. It is the moral cores that, through traditions, foundations, and customs, create, organize and protect society and its historical subjectness, form an interest in creation. The nature of the values of post-globalization at the same time technical and technological saturation and the need for nature-likeness are susceptible to social combinations of consumer self-restraint in favour of the creative process and individual self-discipline in order to realize the essential forces.

Forming the economy of a cognitive society requires focusing on the methods of stimulating both individual behaviour and desirable social changes - as the main resource of organizational and managerial relations. The times of compressed transformations, forced changes include the implementation of cardinal, paradigmatic jumps. Now mankind has entered the next period of discovering new horizons of life arrangement, mechanisms for ensuring security and development of ecumene. At the same time, on the one hand, the alternatives are too radical, on the other, and weak effects at the bifurcation point can become decisive. The main problem: the separation of the irreplaceable and replaceable-wavy, unique and standard - in the strategy, tactics and transformation operations. The realization of forced changes in the regulatory policy as the most important condition for using the features of post-global nature and the transitional state of socio-economic integrity requires a comprehensive revision of the targeted priorities and skills of the society, in particular its top managers and the expert community. In the transition to postmodernity, the role of non-directive, “silent” factors increases, and information competition, in turn, is the decisive result of the dialogue between cultural and civilizational worlds. The essence of the processes filling the transitional period is connected with the confrontation of various options for further changes, and not only with the passing away of past strategies and the emergence of future ones. Now, in a historically brief moment, it is necessary to determine the new corridor of freedom, choose your horizons and priorities. At this phase of society forced transformations, hybrid interaction zones are intensively spreading, blurring the uniqueness of organizational rules and strengthening the tendencies of decentralization

of economic management, fragmentation of huge structures, increasing the flexibility of distribution of activities and strategic cooperation, and thus aggravating contradictions. Within the framework of the transition period, the balance of forces in the structuring of social contradictions is determined, in whose interests and by whom the changes will be implemented. The change of the epoch implies a new model in the interpretation of the past, present and future, the consolidation in the social psychology and ideology of changing attitudes towards phenomena and processes.

Now, not only Ukraine, but the whole world, is once again acutely experiencing a turning point in which the former habitual model of prosperity has been exhausted and its prospects are being redefined. Representatives of the most diverse political forces and social movements are looking for their answers. Moreover, earlier "growth limits" were a problem for backstage discussions and scientific reasoning - today they are firmly on the agenda of everyone: from person to state. The world is suffocating in obsolete social structures, exploding in a series of environmental, technical and technological, socio-economic, and even political disasters. Among the historical challenges of our time is the need to select among the existing systems of relations and the intense socio-economic search for grounds for a new domestic and international order. Requests of this level are formed by the history infrequently and each time they require a special solution. Nowadays, the entry of peoples into the postmodern models of development (primarily, including postmodern culture and the post-industrial structure of society) is carried out on a global scale. On the one hand, this means the formation and emphasis on the relevant principles of social and economic life, regardless of subjective desires and awareness of what is happening. On the other hand, an understanding of the essence of the processes and boundaries of effective influence on them allows us to become a collective subject of strategic transformations. At the same time, as the post-global state is acquired by competing cultural and civilization worlds and determining the value of human labour in the trans-state chain of its inclusion in the total labour of workers associated with social and economic activities, the limits of individualization and socialization / acculturation, principles of private (personal) - group (collective) - common property, the role of phases of reproduction (including in the regulation of the reproductive process). The power of mankind has increased. The combination of opportunities and risks has changed. Mankind is able to

set itself and solve large-scale tasks - or to head for the disastrous vector [6-10]. Thus, it is precisely the provision of a strategic societal management that is adequate to the Challenges of history (and not at all possessing a powerful potential as such) is the decisive factor in history. There is no point in trying to decorate sailboats when dreadnoughts threaten on the horizon.

The processes of economic interaction are socialized and individualized; intertwined; they are actively involved in transforming the world, where deliberately inhomogeneous components interact more efficiently) which sometimes gets characteristic as models for the implementation and development of postmodern, and even quasi-postmodern / post-modernized). At the same time, the socialization of activities and the development of multi-level forms of cooperation reinforce the basis for product differentiation, market segmentation, mechanisms and forms of competitive relations. Actually ,on the one hand, now the final price of the product / service is not necessarily directly determined in the game of market forces. On the other hand, the exchange of goods begins to transform into an exchange of skills and knowledge, and the possession of those and others determines the magnitude of the costs of socially necessary labour. Already the characteristic of labour as productive contains an indication of the role of labour as a means of interaction between man and the surrounding socio-natural environment. At the same time, the formation of a system of economic notions of humanity took place under the pressure of the special significance of fertile land (for farmers) and the size of territories, including the hunting grounds (for herders and hunters). The subsequent stages of the division of labour brought to the number of especially important (and isolated) functions of organization and management, scientific services for productive activities. Now priority in ensuring the success of the national economy in the system of interregional relations is increasingly moving towards socio-cultural capital, which characterizes the features of the social system, the level of harmony of human life, the quality of relations between people, first of all - the level of social trust.

Accordingly, with a variety of ways of sociogenesis, the struggle for the revival of value-sense complexes of their cultural and civilizational world directly and directly turns out to be among the top priorities of society. Just as the resources of its implementation: culture, ideology, science. Of course, the inhibition of urgent changes poses a threat to the degradation of society and its productive forces. But more is true. The

"victorious", blood-hearing and belligerent transformations often sinned with such a significant overstraining of the people that their rapid advance was followed by a radical pullback and a sharp increase in the tendencies of destabilization (and disintegration). Externally, non-effective (but effective) “compromise” models of organizational and managerial influences ensured a smooth continuity of historical processes and popular consensus. Under the current conditions, it’s quite obvious that both attempts to subordinate organizational and managerial potential to the provision of credit and financial indicators are flawed, and that the possibilities of monetary policy are limited. The lack of involvement of the masses and the intensification of the creative activity of the people, the gap with the historical heritage and social experience of the population is a significant obstacle and a significant factor in the use of both previously created developments and environmental features. So, a complex of problems arises in ensuring interaction in conditions of “stable instability”, when it can “wake up”, revealing the decisive direction of development and both internal and external effects, any kidney “rhizome”.

The integrity of objective and subjective factors of vital activity turns global transformations to different regions by different parties. Each cultural and civilizational world receives its own set of conditions and ways of development - or degradation [11-15]. The meanings of life activity: the human and cultural-civilization worlds - determine the direction, pace, form and order of transformation of their specific characteristics, but they themselves manifest themselves as a party to the value perception of the surrounding world. At the same time, spiritual relations, the sphere of morality and morality is not a “superstructure”, but the core of the economy. Trust is a necessary element of a healthy social mechanism. Not only “the sleep of the mind gives rise to monsters”; chimeras that are much more dangerous to humanity can be initiated by immoral intelligence. In the history (including its economic component) moral content is formed, formed by thousands of years of interaction and cooperation. The use of negative moral force for the implementation of its Super-Project, violence against morality and humanity is always paid for. The counter traditional (that is, rationally constructed) system of morality in practice becomes a return to technetronic barbarism with the rule of the right of the strong, apologia of instincts and dehumanization of social life. The technocratic gain from the growth of material goods and cultural technology of political technologies turns into desensitization of life, depersonalization of a

person, his transformation into a cog of soulless bureaucratic structures with a hard division of life into a time of labour and consumption up to the highest degree of alienation - death in endless conflicts. In alienation, in non-freedom there are generally a lot of masks. As ideas develop, they often lose their original meaning, changing the essence, the form, and adopting the features of all of their new carriers. Moreover, the idea can be alienated in the consciousness of the same person: most of them contain the potential of (self) destruction. But, undoubtedly, much depends on the quality of the basic value-semantic complexes of cultural and civilizational worlds, public morality and traditions, and on the nature of the idea itself. And retribution is obligatory, although not always the guilty is rewarded, more often the story "hits the squares". At the same time, the ideals of Beauty, Goodness, Truth not only form representations and attitudes, but also lead beyond the limits of actual life. Moreover, the development of virtual realities increases the arsenal of mutual pressure during the mutual transitions of the virtual and the real, spiritualizing the material and materialization of the spiritual. The balance of realism and symbolism in public life sensitively reflects both global processes and the dynamics of events within the cultural and civilizational world, continuing to remain the most important resource of socio-political identification.

Today cardinal improvement of organizational and managerial relations for Ukraine is an indispensable condition not only for improving the state of integrity, but also for its overall existence, its preservation. The main elements of a successful state structure resonate with the postmodern global transformations and orient the broad masses of the population to the broad involvement in the organizational and managerial processes of creative potential. What is necessary, first of all:

- restoration of the system of personnel selection and promotion,
-creation of an extensive structure of education and upbringing with the spread of not only specific professional, but also deep fundamental conceptual and methodological knowledge,
- realization of a radical democratization of the system-forming relations of labour, property and management.

The priority fulfilment of these tasks can adjust the feedback in the process of functioning, raise the level of personal interest of everyone, the degree of transparency, predictability, balance, harmony and effectiveness of multi-level management, ensure coherence and

cumulativeness of its elements.

Possible and effective reactions of social organisms under the influence of the raw materials and production base, the economic geography of their space, historical memory, national heritage and other factors add up to organizational and managerial preferences. Each cultural and civilizational world creates its own set of productive organizational and managerial decisions. The state of "stability of change" causes a historical need for socially significant innovations. Moreover, the logic of history exacerbates the need for multi-level social innovations, as well as organizational and managerial innovations [16-20]. The nature of reflexive management requires attention and consideration of the qualities of not only the objective, but also the subjective component of the historical process, in particular, active participants and opponents, active and passive events, allies and opponents, their structural and functional characteristics. Thus, the optimal development of socio-political processes presupposes the maturation of both the social environment itself and the clusters of the future as links of a chain, by pulling which you can change the position of the whole chain of a social organism.

The quality of strategic management is the most important factor of competition not only for microeconomic business entities, but also for cultural and civilizational worlds. Accordingly, among the organizational forms of cognitive participation (knowledge workers) at the level of strategic interaction are fixed scientific, educational and industrial clusters. In the improvement of management based on innovative synergistic approaches and the rise of the role of stimulating the desired transformations, the range of diversity of managerial compositions increases. The mechanisms for improving social partnership in the progressive vector of structural transformations become a resource of post-industrial changes in social relations that are adequate to the economy. The interaction of cultural and civilization worlds has always included elements of competition and partnership, the ratio of which allowed us to state more / less complementarity, attraction / repulsion. At the same time, the cultural and civilizational worlds are not experiencing their life cycles at all. Of course, as the conditional predominance of any of them at a certain moment does not mean its greater potential value for the development of the whole ecumene, so the losers in historical competition often concealed the life-saving possibilities for mankind of improving the quality of life and creating the conditions for creative disclosure of talent. In addition, a significant

increase in opportunities occurs primarily in the ordering of chaos in areas of active cultural diffusion, which increases the requirements for the level of managerial and organizational relations. And if earlier culture: artistic, scientific, organizational, managerial, and so on. - created for a strictly defined circle, then the moral challenge of the postmodern is a culture for everyone, a culture of polylogue, contact with strangers, when everyone quite unexpectedly for him may find himself in a situation of contact / interaction with any, even the strangest sociocultural counterparty. At the same time, according to the nature of paradigm transformations, the acceleration of development and the strengthening of public safety require the priority to ensure the flow of high-tech products, technologies, their creators and developers. At the same time, intellectual property is fixed by license agreements, contracts, cooperation (up to the creation of joint ventures), etc. The growth of activity in securing their positions is mainly connected with the most knowledge-intensive and / or highly profitable industries. The unique technologies include inventions and other scientific and technical improvements that have absolute superiority over others in the relevant field, to the progressive ones - developments that have novelty and technical and economic advantages in relation to the analogues used. At the same time, import of licenses should not be haphazard, and acquired rights and opportunities - not used for a long time.

Technologies of development and realization of organizational and management decisions are one of the determining factors for activating the cultural and civilizational world of its potential. Accordingly, during forced transformations, organizational and managerial relations can have an extremely significant impact on the ratio of the competitiveness of political and economic actors at the macro and micro levels [21-25]. Preservation of socio-economic security in the conditions of paradigmatic shifts becomes a derivative of the quality of the elite and the level (in particular, good faith) of management. Meanwhile, on the decline of the previous ideologies, especially - with the vastness, intensity and multidirectionality of information flows, as well as the totality of the means of mass influence, social psychology and ideology are especially vulnerable. On the one hand, the situation of loss of stability of both nature-oriented and socially-oriented axes of life coordinates requires advanced intelligence and high morality to evaluate the innovation pipeline and select information sources. On the other hand, in the period of mass treachery, as a turning point in faith, there is a growing demand for the spiritual (in particular, ideological) elite, its

quality, and its compliance with popular notions of what is proper, desirable, and possible. Meanwhile, the culture of organizational and managerial relations characterizes both the state and the dynamics of the development of society. And with the increasing influence on the adoption and implementation of decisions of the broad masses, the content of socio-economic processes becomes an essential part of the changes. Such an approach transforms the strategy, tactics and operational skills (operational art) of social partnership systems into integral components of social management. Consciously distinguishing them and applying to them general laws allows, among other things, to carry out a favourable deviation from the rules.

At the same time, the dialectic of immersion / detachment in the perception of reality and its interpretations and their directed distribution (both individual and social) dramatically expands the range of possibilities for information manipulation / counter manipulation. Accordingly, the modernization of the "other Europe" increases both the role of the subjective factor in the implementation of changes and the power of indirect influence, indirect actions, soft power, flexible power, etc. Regional postmodern cultures (in particular, organizational and managerial) inherent in post-industrial society is fundamentally innovative, open, de-ideologies, non-violent, based on the innovative development of advantages, and not on the elimination of the traits of traditional originality. This is its main difference from those characteristic of previous eras, because this feature unites the entire successful management and incentive system, especially in the knowledge-economy immanent to the "smart society". In order to successfully carry out the next modernization and effective use of incentive mechanisms for desired transformations with the network organization of post-global society, it is necessary to cultivate mechanisms not "to oblige", "to force", "to administer", but "to enthral", "to interest", "to motivate". Culture is composed of a set of material and spiritual values, where myriads of sociocultural stylistics are reduced on the basis of their basic value-semantic complexes to cultural and civilizational worlds, departing from the state of systems to unsystematic integrity. Meanwhile, the assessment of the real happens in comparison with the ideal. The ideals of social justice, freedom and equality are refracted through the ideas of each cultural and civilizational world, concentrated in its basic value-semantic complexes. In particular, value-semantic complexes underlying the productive socio-economic development are regularly reproduced spiritual and

moral and ideological structures, including elements of both cross-cultural and specific to each particular cultural and civilizational world. Their content is closely related to the peculiarities of value hierarchies. In general, the type of culture and the type of wealth are two expressions of the value-sense being of society. And the universality of the social relations of capital ensures the prevalence of the capitalized form of wealth, which now acts, including, as real, social capital, etc. Moreover, if utilitarian-pragmatic values are derived from the mode of production directly or through the structure of needs, then absolute values, ideal values affect the state and development of the economy as primary. Flexibility, mobility, sensitivity, ability to quickly adapt to changes in economic conditions becomes the main success factor in the realization of breakthrough technologies. Thus, the key to success in using the perspectives that are opening up with new paradigmatic transformations is becoming managerial compositions, which are comprehensive innovative solutions for the development of effective organizational and managerial models in these specific conditions.

The processes of socialization of production, distribution, exchange and consumption of the (post) modern level, on the one hand, in order to maintain their competitiveness, involve a wide use of marketing tools, which means production is not to an unknown market, where only the public price of an item or service is established, the volume is revealed needs for them. On the other hand, market segmentation continues and production under consumer inclinations of specific groups is increasing. That is, socialization is manifested not only in standardization, but also in the individualization of reproduction processes. The systemic structuring effect on the mode of exchange, all phases of social reproduction on the part of the processes of informatization, financialization, service, globalization, the formation of enclaves of the economy of intellectual capital, is increasing.

Organizational and managerial forms corresponding to new transformations of social relations require not only changes in the tactics of transformations, but also lead to the improvement of the strategic design of society. Going beyond the borders of the former “corridor of freedom” can turn into not only a breakthrough to the potential of post-industrial prospects, but also a rollback to social cannibalism and wildness, a move in the socio-economic structure from the “power of law” to the “right of force”. The idea of personal enrichment "at any cost" and "by all means" is not capable of being the only pillar of a strong state as a mechanism for the domination of common goals over

private interests. On the contrary, the peoples have a strong instinct of the state; during the transformation processes will receive an additional bonus. At the same time, a business that, effectively solving its business problems, combines economic success with a movement towards social well-being and environmental safety is socially responsible. In order to transform the diversity of socio-economic conditions into a productive factor of mutual interest and development, an effective system of industrial democracy, social partnership and mutual responsibility of the state, business and non-profit organizations is necessary. It involves careful consideration and multi-level implementation of the balance of multi-vector interests in society without their unification, as well as the extensive use of progressive forms of basic domestic value-semantic complexes, enshrined in the social heritage and historical memory of the people. And now, due to a wide range of consequences, the use of ideas and principles of social partnership, industrial democracy, enrichment of activities, group organization of labour, flexible working hours, corporate culture, project-matrix management and creation of management compositions on their basis provide a societal effect, ensuring a qualitative change in the socio-cultural space. And on the external contour of interaction (competition and partnership), the exchange of skills and knowledge is becoming more and more noticeable behind the dynamics of the monetary form of barter.

This is the leading dominant of the abolition of the previous methodology of utilizing resource bases, so this feature permeates the successful organization and management of all economic activities and, above all, the activities of intellectual and spiritual production immanent to the epoch. There is no need for a number of mediating executive-administrative units, supplanted by consulting innovation-synergetic structures and venture groups. The style of “cold” administration loses its effectiveness. However, by significantly changing the labour functions of workers, the post-modernization of organizational and managerial relations does not cancel the requirements of structuring activities, granting powers to significantly affect the status of the worker, social roles, and self-esteem. Due to this, social management follows from hardness to softness, from mass to compactness, from the technological imperative to the choice of technologies, from the certainty of organizational limits to their blurry and mobile. Personality development and work personalization instead of levelling people and averaging functions become the leading factor of effective social technologies. The ethical base of labour relations covers not only past

(including religious and hierarchical) values, but also new ones associated with a critical view on "technological slavery" and the economic imperative of life, with an orientation to the harmony of work and the independence of activity realizing , its place and time.

Balancing the strategy and tactics of transformation requires priority attention to the forms of comprehensive support for the participants in the production process (in particular, overcoming the danger of converting economic power into a political-ideological plane). Responsibility of all national actors to society, first of all, concerns the balance of duties and rights; on the one hand, the state, on the other private entrepreneurs, relies on both public and private law, and on the foundations and traditions of a particular cultural and civilizational world, held together by inherent his core value-sense complexes. The realizing of the principles of consolidation of public, collective and private interests, the unity of public and private law in a public-private partnership based on (and not at all suppression) of the respective interests ensures the long-term formation of a productive development environment and opens up the possibility of joint participation in the creation and realization of meaningful projects and combinations for this material and intangible resource bases and risk sharing between society and the private sector. Public, private and non-governmental (non-profit) structures can use and develop their strengths and capabilities of each of the parties, reducing the cost of high-quality social services. At the same time, on the one hand, the public-private partnership system is closely connected with state regulation of the economy, but, on the other hand, it is not at all identical to the emergence of a “mixed economy” (by no means any interaction between business and government in a mixed economy can be characterized as an element of the state -private partnership). This interaction is most noticeable both in the sphere of organizations and civil society institutions that have a noticeable political dimension (business associations, trade unions), and in the areas of diffusion of the corporate culture itself.

The problems, related primarily to the use of public-private partnership mechanisms to ensure the operation of the principles of public-private cooperation and social responsibility of business, affect social, environmental, economic, management issues - and have a pronounced branch’s profile and regional aspect. This interaction is most noticeable both in the sphere of organizations and civil society institutions that have a noticeable political dimension (business associations, trade unions), and in the areas of diffusion of the corporate

culture of the society itself. Corporate external and internal social responsibility today characterizes the variety of forms, methods and directions for the implementation of mutual obligations that are voluntarily assumed by a corporation both within the business community and beyond it, at different levels (from municipal and public) regional to national and international) levels of their activities. As a set of social relations, responsibility includes business activities in the field of charity, preservation of morality, support for environmental safety, product quality, social protection of workers, job creation and support for decent wages, interaction with the local community and government, etc. This interaction can create an innovative synergistic effect and the emergence of a qualitatively new mutually beneficial cooperation of the parties in solving important socio-economic problems. The financial and resource basis for realization of public-private partnerships are both the state budget funds and private investments. In addition, within the framework of a public-private partnership toolkit, the state transfers part of the costs to business, refuses inefficient levers and elements (for example, in municipalities), mitigates the severity of socio-economic problems. At the same time, a business: state assets are acquired in long-term ownership, sometimes on preferential terms, and with the strategic nature of the partnership, the possibility of guaranteed sales.

Multi-level mechanisms for the realization of the principles of public-private cooperation in public-private partnership are designed to solve the urgent problems of fundamental contradiction. On the one hand, under the influence of new socio-economic trends (first of all, those that meet the requirements of the knowledge economy), the interdependence of production units, the discipline of counterparty interaction, cooperation and cooperation of partners are actively enhanced. The dramatic changes on a global scale encompass the most important directions of vital activity for the world order. The processes of socialization of producing, distribution, exchange and consumption of the postmodern level, on the one hand, in order to maintain their competitiveness, involve extensive use of marketing tools, which means production is not to an unknown market, where only the public price of an item or service is established, the volume of demand for them is revealed. On the other hand, market segmentation continues and production under consumer inclinations of specific groups is increasing. That is, socialization / acculturation are manifested not only in standardization, but also in the individualization of reproduction

processes. The organization of public-private partnership mechanisms provides the long-term formation of a productive development environment for the country, opening up opportunities for joint participation in the creation and implementation of socially significant projects, a combination of tangible and intangible resource bases and the sharing of risks between society (the public sector and non-governmental organizations) and the private sector. At the same time, governmental, private and non-governmental (non-profit) organizations use the capabilities of each, which reduces the cost of high-quality social services.

Thus, the inculcation of innovative production relations, in particular, on the basis of post-Fordist models of interaction of participants in production relations, is a way not only to fill the advanced legal forms with specific content (primarily from the Charter of Social Rights, the International Labour Organization, the Labour Code of Ukraine), but also the condition of ensuring a productive socio-political system of the country, the transition in civic activism from the dominance of forms of protest to constructive. The restoration of the dynamic equilibrium state of the planetary biosocial system implies, in particular, a shift from focusing on physical labour as the main part of the socially necessary to spiritual and intellectual activity as its determining component, from the prevalence of the material aspect of life activity to the virtual-mental sphere, from the course on superconsumption and the pursuit of pleasures to the values of morality and creation, from the uniformity of the pattern of living art -keeping and development of their diversity based on the basic value-sense complex cultural and civilizational worlds.

Conclusions

Mankind has grown up prerequisites that can be used to implement both hyperindustrialization and breakdown in the neo-anarchic - up to self-destruction. Actually, the main struggle is now taking place between representatives of these options for the future. And much depends on whom and in whose interests it will be possible to carry out a paradigm depth transition to new horizons of humanity: the processes inevitably adopt the characteristics of their actors. At the same time, adherence to the models of the future is closely related to generic memory and social heritage.

Complex supporting of the forms and structures of social security and development is included in the plane of the civil responsibility of everyone and everyone in the implementation of the republican structure

of life activity. The organic development of society is due to the dominance in its socio-economic space of integration features, rather than disunity; at the same time, on the basis of coordination, and not the subordination of specific interests of social groups. One of the important areas of mutually beneficial cooperation of efforts is the mechanisms of social partnership, which are able to grow to the quality of a civil polylogue. During this, the renaissance of sociocultural foundations (above all, trust) of society is an indispensable condition of public cooperation and cooperation, the transformation of spiritual energy into material progress, the actualization of the productive potential of society, which assumes, in the realization of post-modernization, reliance on its constantly reproducing features that are reduced to value complexes

At the same time, the independence of the economic entities integrated into the technological chain is relative; they are subordinated to technological discipline, as well as to the requirements of standards, delivery time, etc. Moreover, highly qualified personnel are usually prone to mobility in the direction of improving their position and increasing the “field of opportunity”. They migrate, go into more profitable areas. Meanwhile, transformations of the sociocultural climate are precisely designed to ensure the improvement of the quality and activation of the productive forces of society. On the one hand, the content of labour activity, going beyond the formal control, consist of interest of participants (stakeholders) - and, accordingly, the corporation model that is widespread today is focused on the company's variant of participants (stakeholder's company). On the other hand, the success of intellectual activity often directly requires a variety of professional and general cultural communications, even more closely integrates into cooperative communications, production and social networks, which not only contributes to the further growth of sociocultural capital, but also transforms its structure to adequately post-industrial labour trends.

Accordingly, among the organizational forms at the level of strategic interaction are fixed scientific, educational and industrial complexes. In the improvement of management based on innovative synergistic approaches and the rise of the role of stimulating the desired transformations, the range of diversity of management compositions increases. The mechanisms for improving social partnership with a progressive vector of structural transformations become a resource of post-industrial changes in social relations that are adequate to the economy. The formation of the conditions for a stable modern and

postmodern development envisages the creation of a “critical mass” of progressive changes in the world of work, combining the response to today's demands and probable future challenges and associated primarily with the improvement of the post-industrial democracy system.

And morality is a mandatory component of effective management in accordance with the obligations of managers previously agreed upon. Accordingly, the humanity of the legal regulators of the dormitory of the cultural and civilizational world is opposed to the inhumanity of selective cruelty and permissiveness. Social management in the post-Soviet space has become a significant factor in the rapid split of society into a rapidly growing richer elite - and the impoverished main part of the people, pushing economic stagnation and leaching of scientific and intellectual potential (both by changing the country of residence and by servicing external interests while preserving residence). But negative phenomena accompany the methods of social management of post-imperialism, emphasizing asocial behaviour, unemployment, falling susceptibility to socially necessary innovations, the subordination of creators to plutocracy and bureaucrats, the gap in the quality of life not only between rich and poor, but also between the political vanguard and the main socio-demographic potential. Already at the global level, social management turns out to be inadequate to the level of the tasks facing ecumene and its possibilities.

Accordingly, the formation of scientific, educational and industrial clusters is a key element in ensuring the rise of competitiveness of the regional economic system and the well-being of the population in the context of the growing role of the knowledge economy, and their support is the most important direction of socio-economic and political not only state but also regional policy. After mechanization, automation and robotization, a person is left with something that does not fall under this process and is concentrated around the creative development of its essential forces; The main source of value at the present time is the creative, primarily intellectual, potential, and not the psychophysical efforts of the employee, the priority of competitiveness development strategies — the production of knowledge and their effective application; value added is distributed based on the cost of the manufacturer; the system-forming relations of society are being democratized (labour, property, management); structures of exchange and consumption are transformed; eliminated the foundations of the classical forms of alienation. The transition to small-scale production

with frequent readjustment of technical and technological cycles requires adequate staff readiness for this, primarily due to possession of basic methodologies and ways of their creative adaptation to specific post-modern conditions and features of the activity site. Competitiveness and economic success of the regional system are ensured in these conditions by emphasizing the development and realization of the individual based on personalization of life activity, and not by levelling people and reducing them to biophysiological automatism or averaging production functions and standardizing products in the economy.

Thus, the ideas of industrial democracy, group organization of work, enrichment of activities, flexible working time, corporate culture, project-matrix management and education on their basis of "management compositions" are potentially capable of bringing greater effect precisely during post-modernization, and not in the classical market conditions of their existence - due to a wider range of both positive and negative consequences of decisions made. Going beyond the borders of the former "corridor of freedom" can turn into not only a breakthrough to the potential of post-industrial prospects, but also a rollback to social cannibalism and wildness, a move in the socio-economic structure from the "power of law" to the "right of force". As always, it is imperative that you take from the past: fire or ash. And with an increasing separation of the technical and technological level from the moral burial ash will be radioactive...

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THE IMPLICIT IMPACT OF THE HIGHER EDUCATION SYSTEM ON REGIONAL DEVELOPMENT OF UKRAINE

Over the past few decades, the evaluation of university contributions to the economic, social, cultural and innovative development of society has been central to educational policy issues.

Reality indicates a change in the socio-economic goals of the university. From its first generation (educational institution only), to the second generation university (training and research), and the third generation university (integrated educational, research and business environment).

Today we are talking about fourth-generation universities. The essential difference of such a university is the availability of a strategic approach to its own development and the ability to actively influence the competitiveness of the regional environment [1].

We believe that the growth of influence on regional development can be expected already from third-generation universities, because it is here that not only education and research, but also the use of knowledge become important. As a result, the relationship between production and universities is deepening, so there is the possibility of local use of knowledge created in universities. This increases the competitiveness of enterprises and, as a result, the region.

There are several classifications of areas and types of university influence on the regional system. According to R. Florax, there are eight regional effects of university activities in the demographic subsystem, economic subsystem, infrastructure, culture, attractiveness of the region, education, social subsystem, political subsystem [2].

There are short-term and long-term impacts of universities on the region's economy. In the short term, there is an impact on the demand of local enterprises, the income and expenses of local households, and the services and income of local governments. Long-term is the impact of

the university on the qualification of human capital, attracting foreign capital and labor in the immediate vicinity of the university and the number of enterprises based on university research. These factors can be considered as having a secondary regional multiplicative effect, since they heighten the demand for local goods and services [3].

Regional and local effects of the university can be observed in many areas outside the economy. As a rule, three types of economic influence of universities are evaluated in research: direct, indirect, and induced [4].

In our opinion, the most comprehensive by the nature of the impact of the classification of the results of university activities should take into account the type of impact on the regional subsystem (Table 6.5).

Table 6.5

Types of university influence on regional subsystems

Regional subsystems	**Types of university influence**			
	Direct	**Indirect**	**Induced**	**Catalytic**
Demographic	∨	∨	∨	∨
Economic	∨	∨	∨	∨
Infrastructure	∨	∨	∨	∨
Culture	∨	∨	∨	∨
Attractiveness				∨
Education	∨	∨	∨	∨
Social				∨
Political				∨

Source: compiled by the authors

It is clear that the selected areas are not isolated from each other but have different effects. The most significant activity of the university affects the economic subsystem, which is closely linked to the demographic changes, infrastructure, educational system and image of the region.

The economic impact of a higher educational establishment is defined as the difference between the existing level of economic activity in the region and the level that could have been if the institution did not exist [5].

However, the quantitative assessment of the impact of universities on the regional subsystem is complicated by the presence of the implicit impact of the higher education system on regional development.

Implicit mechanisms are based on mechanisms of different order. Its characteristics are manifested in human activity in different ways. In psychology, it is associated with the implicit personality theory, which allows you to form a holistic impression of another person based on incomplete information about his personal characteristics. Mathematicians and other representatives of the exact sciences are concentrating their efforts in developing data search and recovery algorithms based on implicit factors that influence various processes. In economics, the term «implicit» is associated mainly with «intangible», «immeasurable», «elusive» factors that affect the economic activity of an economic agent. Thus, implicit factors are implicit, hidden factors, production resources, which in the course of economic activity do not find direct, official reflection [6].

Implicit impact (the influence of implicit factors) is an implicit influence within the economic system that can lead to a synergistic effect. This effect is that when the subject achieves significant economic results, an area of unstable conditions arises. A minor hidden influence of external forces can lead to diametrically opposite development vectors: from the collapse of the system to a new, higher level of development. The nature of implicitness lies in the presence of hidden (implicit) information that circulates in the economic environment and requires decision-making after in-depth analysis of data in order to obtain the most complete information. In our case, implicitness is understood as the impossibility to take into account all aspects of the impact under study, since in the process of analysis, hidden, implicit, unaccounted information appears in the data-information-knowledge chain.

In our opinion, the urgent task is to construct an integral index of the implicit impact (IIII = I^4) of the higher education system on regional development and to group the regions according to this indicator.

To construct the integral index, we used the index method in context with the mathematical apparatus of the theory of fuzzy sets (fuzzy logic and Mamdani fuzzy logical inference) [7], which allows to use of heterogeneous input variables, formalize nonlinear dependencies, use natural language to describe the connection, and obtain fuzzy models that are flexible for tuning and adaptation.

Note that the index method of determining the integral index

involves the following steps:

1) the choice of indicators characterizing the phenomenon;

2) statistical analysis and standardization (normalization) of data;

3) the calculation of the partial indices (sub-indices);

4) determination of the resulting integral index on the basis of sub-indices;

5) analysis and interpretation of the result.

In our study, the main blocks (sub-indices) of the I^4 of the higher education system in the socio-economic development of the regions are economic, innovative, educational and demographic (see Table 6.6).

Each of these partial indices will be determined using three indicators (stimulators). According to the classical scheme, the aggregate index consists of partial indices and is represented in the form of their weighted sum or product. The selection of indicators for the evaluation of each of the blocks is based on the presented theoretical approaches, but takes into account the features of the domestic system of higher education and the factors associated with the characteristics of data collection.

As a result of the assessment, we obtained three sub-indexes of the higher education system: a contribution to the economic development of the region, a contribution to the innovative development of the region, and a contribution to the educational and demographic development of the region [8].

The value of sub-index ranges from 0 – the worst, to 1 – the best value in the country. This allows us to represent all the regions of Ukraine in the order of the degree of their development for each of the sub-indices. At the same time, the place of the region in the uniform scale for Ukraine and the change in its potential is important. This makes it possible to consider changes in the integral index in a regional context and analyze the trends of each specific region.

The leaders in the sub-index of influence on economic development are Kiev, Poltava, Dnipropetrovsk and Zaporizhzhia regions. The presence of large universities in these regions explains the relatively high rates of income of universities.

On the second sub-index, besides Kiev, another region is leading – Kharkiv region. Here are located large national universities, which constitute a significant part of the regional innovation infrastructure.

The largest share of applications for inventions and utility models falls on the «Science» and «Education» sectors. Moreover, the number of applications submitted by educational institutions annually exceeds

Table 6.6

The list of indicators characterizing sub-indices

Sub-indices	Indicators (stimulators)	Economic contribution of the university
Economic (I_1)	X_1 – GRP per capita, UAH.	Impact on the regional economy, budget revenues, industrial structure, labor market, labor mobility
	X_2 – GRP per worker of working age, UAH.	Impact on the level of education, structure and quality of labor in the region
	X_3 – Small and medium business (SME) per 10 thousand population, units.	Companies that are created by students (former) and university staff
Innovative (I_2)	X_1 – Distribution of applications for inventions and utility models addressed to national applicants by region.	Selling knowledge in the form of patents, regional value added in the field of information technology
	X_2 – Regional gross value added in the field of information and telecommunications (IT companies) (UAH per capita).	
	X_3 – Organizations that carried out research and development, per 10 thousand population, units.	
Educational and demographic (I_3)	X_1 – Economically active population aged 15-70 years, number of people by level of education per 10 thousand population.	The impact on the level, structure and quality of education in the region. Population growth, changing population structure and mobility.
	X_2 – Number of institutions of higher education per 10 thousand population.	
	X_3 – Number of students, per 10 thousand population.	

Source: compiled by the authors

the number of applications submitted by scientific organizations. In 2016, the applicants of the Ministry of Education and Science of Ukraine submitted 2849 applications (this is 37.9% of the total number of applications filed).

The most active were institutions of higher education in the city of Kiev and the Kharkov region: National University of Food Technologies (10.3% of the total number of applications filed by applicants from this ministry) National Technical University of Ukraine «Kiev Polytechnic Institute» (7.8%), National Aerospace University. M.E. Zhukovsky Kharkiv Aviation Institute (4.3%), Kiev National University of Technology and Design and Vinnitsa National Technical University – 117 and 116 applications, respectively (4.1%), National Technical University Kharkiv Polytechnic Institute – 91 applications (3 2%), Odessa National Academy of Food Technologies – 83 applications (2.9%) [9].

The leaders in the framework of I^4 on the higher education system for regional development are Kiev, Dnipropetrovsk, Lviv, Kharkiv and Odessa regions. These are regions with large university centers. Here the number of universities is 45.8% of the total in Ukraine (259 institutions out of 657).

The leaders in the contribution of higher educational institutions to the educational and demographic development of the region are Kiev, Kharkiv, Odessa, Lviv and Dnipropetrovsk regions.

According to the research of the CEDOS analytical center «Movement of applicants between the regions of Ukraine» in 2017 and 2018, only Kharkov, Kiev, Odessa, Lviv and Chernivtsi regions had a positive balance of arrival and departure. In other regions there was an outflow of graduates [10].

The results of the sub-indices of the regions of Ukraine for 2012 and 2016 have been summarized in the integral indicator of the implicit impact of the higher education system on regional development. Based on this data we have conducted a grouping of regions according to the I4 of the higher education system at the regional level, the results of which are given in Table 6.7.

Most regions of Ukraine have integral indicator values that are critically low, low, and below average. In addition, the belonging of regions to one or another group of indicators practically did not change in 2016 compared to 2012. Growth rates are observed in Vinnytsia (2.14), Kirovograd (1.71), Lviv (3.15), Nikolaev (1.29), Odessa (2.09), Poltava (1.19), Kharkiv (1.02), Kherson (1.14), Cherkasy (2.86) regions.

Table 6.7

Grouping of Ukrainian regions by I^4, 2012/2016

Year	The boundaries of the integral indicator	The meaning of the integral indicator	Distribution of regions by integral indicator
2012	[0;0,1)	critically low	Vinnytsia, Volyn, Zhytomyr, Zakarpattia, Ivano-Frankivsk, Kirovohrad, Luhansk, Mykolaiv, Rivne, Sumy, Ternopil, Kherson, Khmelnytskyi, Chernivtsi, Cherkasy, Chernihiv
	[0,1;0,2)	low	Lviv
	[0,2;0,4)	below the average	Zaporizhia, Kiev, Odessa, Poltava
	[0,4;0,6)	average	Dnipropetrovsk, Donetsk, Kharkiv
	[0,6;0,8)	above the average	–
	[0,8;1]	tall	city Kiev
2016	[0;0,1)	critically low	Volyn, Donetsk, Zhytomyr, Zakarpattia, Ivano-Frankivsk, Luhansk, Mykolaiv, Rivne, Sumy, Ternopil, Kherson, Khmelnytskyi, Chernivtsi, Cherkasy, Chernihiv
	[0,1;0,2)	low	Vinnytsia, Kirovohrad
	[0,2;0,4)	below the average	Zaporizhia, Kiev, Poltava, Cherkasy
	[0,4;0,6)	average	Dnipropetrovsk, Lviv, Odessa, Kharkiv
	[0,6;0,8)	above the average	–
	[0,8;1]	tall	city Kiev

Source: constructed by the authors

The integral indicator decreased in Donetsk (0.16) and Luhansk (0.78) regions. But this is due primarily to the unfavorable situation in the east of Ukraine and the neglect in the statistical data of a part of the occupied

territories. In the remaining regions, the integral index remained almost unchanged. The current situation indicates that there is no effective strategy of «embedding» universities in the local economy and society at both the national and regional levels.

The analysis suggests that there is no direct link between the sub-indices and the level of development of the regions. It is impossible to state unequivocally that the higher education system has the greatest influence on the most developed regions, and vice versa. The results obtained allow us to conclude that the degree of influence of the higher education system on regional development is a complex characteristic.

The obtained integral indicator allows only to single out regions with one I^4 of the higher education system in comparison with others (identification of interregional imbalance). Even high values of the indicator do not mean that regional universities begin to play the role of centers of education and culture, or in general determine the level of the region.

An important continuation of the study should be an assessment of the situation in each region of the country separately. Such analytics will be able to provide indispensable assistance in determining the differentiated directions for the development of regional systems of higher education. Such systems should be focused on maximally promoting the development of territories, taking into account their specifics.

It is worth noting that the fuzzy model we have developed for determining the I^4 can be refined and adapted to new data. Some input variables may be entered new or removed. One can extend the range of terms of linguistic variables etc. That is, the constructed model is flexible in setting and changing parameters. It does not require complex mathematical calculations (due to the use of Matlab).

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INNOVATIVE BASIS FOR ENSURING OF INTEGRATION THE AGRICULTURAL EDUCATION, SCIENCE AND PRODUCTION : PROBLEMS AND PROSPECTS

An important role in the development of the domestic economy is played by the agrarian sector as a guarantor of food security and a source of income that determines the standard of living of the rural population. The imbalance in the structure of agrarian production, price imbalances, aggravation of social problems in rural areas, the absence of a state mechanism for financial support for rural development, and a reduction in clear indicators of working conditions and peoples' lives allow us to conclude that there have been negative evolutionary changes in rural areas in recent years [4, p. 6-7]. To stop these processes it is expedient to justify new approaches to rural that develop based on the concepts of sustainable development of rural areas and include: support and stimulation of entrepreneurship activity and local initiatives; diversification of employment of rural population; improvement the system of education and retraining of labor resources; an increase in the quality of staff ensuring, including mid-level specialists. Now, the issue of the need to reproduce and use the scientific, labor and personnel potential of rural areas of Ukraine remains unresolved and the role and importance of innovative factors in training specialists for the development of rural areas as one of the important directions of the rural economy remains unresolved.

One of the strategic imperatives for the development of the agrarian

sector of the Ukrainian economy is the synergy of science, education and practice, the essence of which is to subordinate the development of education and science to the needs and purposes of the production of competitive agricultural products and foodstuffs to create the economic basis of sustainable development of rural areas [5]. We believe that the solution of urgent social, environmental and economic problems in the state must start from the agrarian sector and the countryside, as they are a systemic, integrated and multifunctional structure that is crucial for the implementation of the sustainable development strategy of the entire country. At the same time, the efficiency of the functioning the agrarian sector of production is determined by the readiness of specialists all levels to professional activity in modern conditions. This is due to the dynamics of social and scientific-technological progress, changes in the content and nature of labor and social activities of people, and labor market demands, the main of which is the competence and professionalism of a specialist.

It is known that the economic features of rural areas include their intellectual capital and innovations (scientific-technical developments, the development of information systems, intellectual capital), production conditions (material-technical ensuring of agrarian production, multidisciplinary of the rural economy, employment of the rural population and conditions of their work, level productivity and wages, land, raw materials, water resources, forest resources, natural-climatic conditions), financial ensuring (budget allocations, investments, taxation, lending, insurance), government regulation (legislative-regulatory ensuring, local government) [3, p. 55].

In modern conditions, the social factor should be defined as dominant in the formation of an updated, built on innovation basis, of the rural environment, and the economic component should be considered as an instrument for achieving the strategic goals set for the development of rural areas and the agrarian sector. It is known that sustainable rural development involves the multifunctional of these territories, in particular the implementation of socio-demographic, spatial, organizational-economic, industrial-economic, historical-cultural, nature protection, financial-managerial, innovation-investment and other functions.

Rural areas are one of the main system-forming components of life in Ukraine. Relevance and perceptivity of the research of directions the integration of agrarian education, science and production on an innovative basis is conditioned by the high dynamic rates of social-

economic development of the EU countries; structural changes in employment in the direction of diversification of economic activity; international cooperation and integration of Ukraine into the European educational space; the accession of Ukraine to the Bologna, Copenhagen processes; development of new innovative-information technologies; the need to create an educational environment for rural youth; ensuring of conditions for education through distance forms education, introduction of dual and continuous subject education for adults.

Some positive changes in agricultural production that have been observed in recent years have not solved the socio-economic disadvantages of rural development. The most acute problems remain the lack of economic interest of young people to live and work in rural areas due to the lack of material motivation to work, low living standards, the destruction of social infrastructure, poor service quality, unwell accommodation. As a result – rural settlements are gradually being deserted and stopped functioning. Decline in rural areas, rising rural poverty are due to causes and problems of a long-term nature. The main ones are: monofunctionality of the agrarian sphere; limited financial resources of the budgets of rural communities; ignoring the state of the natural-climatic and organizational-economic peculiarities of the regional development of the rural territories of Ukraine; the actual absence of legislation about the development of priority the village and rural economy.

At present, economic growth is increasingly dependent on the ability of the relevant structures to acquire new knowledge and apply them in production processes. According to the World Bank, physical capital in the modern economy forms 16% of the total wealth of each country, natural – 20%, and human – 64%. In such countries as Japan and Germany, the share of the latter reaches about 80% of national wealth, since values are created as a result of increased productivity and the use of innovations, i.e. the use of knowledge in practice [1, p. 302].

At the current stage of development of the Ukrainian economy, ensuring of its innovation renewal is a priority task. At the same time, innovative development of rural territories is an important condition for the successful implementation of the economic mechanism for realization the strategy of sustainable rural development. The results of the research on this problem indicate that there is currently no unambiguous understanding of the essence of the integration of education, science and production, their interconnection and interaction in order to ensure innovative development of the agrarian sphere. In

addition, the intensification of innovation ensuring for the development of rural areas is complicated by low investment support for the processes of research and development, lack of incentives for the development and creation of institutes of innovation infrastructure, weak staff ensuring of the scientific-innovation sphere, etc. Readiness for future production from 100 economies of the world, we are unfortunately, on the 74th place, as was noted at the Davos Forum in 2017 [6]. It is expedient to concentrate efforts on reproduction of favorable production conditions in agroindustrial production, stimulation of scientific-technological progress throughout the innovation cycle of development of rural territories (Figure 6.5). We believe that in order to construct an innovative-forward-looking model of qualitatively new development of rural areas of Ukraine, it is necessary to adopt the concept of interaction between science, education, business and the state.

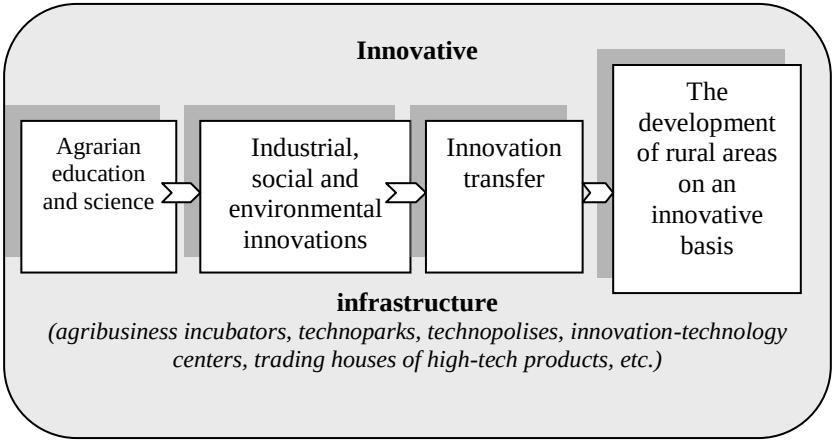

Figure 6.5 Conditions and the process of forming an innovation cycle in rural areas

Source: own development

The purpose of the above concept should be the creation of public-private innovation partnership, in which state power, science, education and representatives of agribusiness act as full partners, mutually complementing each other (Figure 6.6).

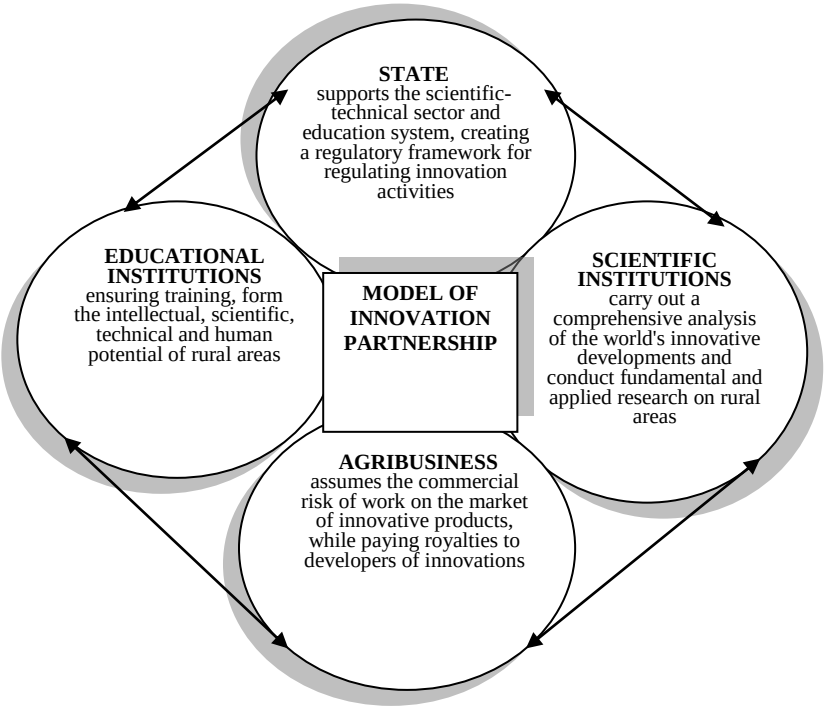

Figure 6.6 Functional interrelations and interaction of participants of innovation partnership on rural areas

Source: own development

In order to ensure the efficiency and effectiveness of the above-mentioned model and to accelerate the advancement received of the scientific achievements and high-tech products, it is necessary to create an innovative infrastructure for the generation of scientific knowledge and the implementation of scientific processes and to form a united base of agrarian scientific developments. However, it is advisable to select innovative projects depending on their level of compliance with the strategic and operational goals of the development of individual rural areas. In this context, it is expedient to use the following scheme of the use of innovative levers in the mechanism of realization the strategy of sustainable development of rural areas “strategy – priorities – a step-by-step program for their realization – monitoring and control”. That is the basis of sustainable development, the movement forward – the movement towards innovation.

Equally important from the point of view of ensuring sustainable development of rural areas and self-employment of the population is the realization of educational programs of educational institutions of different levels of accreditation for the formation and development of alternative types of economic activity in the countryside. To this end, it is necessary to involve universities, research institutes, colleges, professional institutions, consulting companies, advisory services and agricultural chambers more actively in the training of specialists in the field of services, tourism, cross-border cooperation, management and marketing, focused on work in rural areas, the creation of innovative productions, enterprises with foreign capital, etc. [7, p. 3].

The development of scientific, educational and production institutions, enterprises and organizations located on the territory of Western Polissya of Ukraine on the basis of innovation partnership will provide the necessary preconditions for ensuring innovative development of the agrarian sector of the region on a qualitatively new basis. In addition, the region under study has a clearly defined agrarian orientation of economic development, therefore higher and secondary special education, especially agrarian, traditionally has a high social significance in the region – it needs to be given priority and significance. Therefore, higher and secondary special education, its personnel should receive priority and motivation. On the territory of the region are located the following educational institutions, which train specialists of the educational profile of the educational-qualification level "junior specialist":

- in the *Zhytomyr region* – Zhytomyr Agrotechnical College, Verkhivnya branch of Zhytomyr Agrotechnical College, Novochortoriyskyy State Agrarian Technical College, Yaruny Technical College Of Land Management of Zhytomyr National Agroecological University, Malinsky Forestry College;
- in the *Volyn region*: Volodymyr-Volynsky Agricultural College, Shatsky Forest College named after V.V.Sulka;
- in the *Chernihiv region*: Pryluky Agrotechnical College, Borznyan State Agricultural College, Sosnytsky Agricultural College of Accounting
- in *the Rivne region*: Myrohchansky Agrarian College, Mlyniv State Technological-Economic College, Rivne State Agricultural College.

It is the development and concentration the potential of the scientific, scientific-pedagogical staff and students to solve complex strategic tasks

to provide the stimulation of the transfer of new technologies from academic educational institutions and scientific institutions directly into production, will allow the most effective consolidation and productive use of the potential of science, education and production, facilitating the transition of the economy Ukraine on the innovative model of development.

It is also necessary to agree with the algorithm of sustainable development of rural territories of Ukraine, based realization on the following tasks: the formation of a patriotic, creative, strong in the innovative activity of the village of a person, a people who is educated, professional, who can give new, modern, based on traditional values ideas, education Ukrainian spirit; improving the activities of cultural, spiritual, educational institutions of rural communities, based on common interests, involving more people in joint work in the field of sustainable development of rural territories; the restoration and promotion of the development of family farms on the countryside, the upbringing of love for the land as a source of life for society, especially in the territory of Ukraine, which has long been called the "breadbasket of Europe", love to labor and agriculture, which will enable the process of reversing the urbanization in the future – partial suburbanization [2]. Integration interaction of agrarian education, science and production is an effective lever of the economic mechanism for realization the strategy of sustainable rural development in modern conditions.

In addition, the point of view deserves attention to the need to change the modern paradigm of education, which is to enrich the knowledge of each specialist with a deep understanding of the causal relationships and dependencies between human activity and its natural environment. In the process of education, students should be aware that the concept of sustainable development, as the only possible strategy for the development of civilization, requires the harmonization of economic and environmental interests. Only specialists who are armed with new knowledge about the interdependence of natural and economic systems and new ecological-economic thinking are able to ensure sustainable development of society and its separate regional components.

Thus, sustainable development of rural areas of Ukraine today should be the main priority of the economic policy of our state, which should be ensured on the basis of intensification of non-agricultural types of economic activity in villages, development of their infrastructure, increase of the efficiency use of available natural and labor resources, formation of innovative approaches to building up

socio-economic potential of rural areas in accordance with the principles of European integration.

The main task of the educational institution of agrarian direction is to prepare students for modern life, that is, to form the necessary professional competencies in them, and one of the means of their formation is the integration of educational disciplines for the qualitative conduct of practical training. We have identified the priority and the peculiarities of the introduction of innovation policy in the system of practical education in the preparation of middle level specialists on the example of the *Zhytomyr Agro-technical College*.

The use of integrated technologies and interactive forms and methods of education, good practice contributes to the formation of appropriate skills and abilities of students, the development of universal and professional values, the creation of a supportive atmosphere of cooperation, their active interaction to achieve the goal. In today's conditions, it is necessary to organize the practical education of students so that the future graduate was not only competitive in the labor market, but also had a motivation for further self-improvement and development.

It is known that practical training is the basis for preparing an educational-qualification level for a "junior specialist". The curriculum foresees almost sixty percent of the time for conducting practical classes. Practical classes, educational, industrial technological and pre-diploma practice in the structure of curricula involve the acquisition by students of profound professional skills in the specialty, consolidation of theoretical knowledge in the specialty. The main purpose of practical education, both for teachers, masters of industrial education, and for students must ensure the following conditions: mastering modern forms and methods of organization of work; formation of professional skills and abilities necessary for making independent decisions; selection and implementation of the most effective and qualitative possible solutions; urgent modernization of material-technical base and equipment; constant updating of their knowledge and creative application of them in practical activity. During production practice, students have the opportunity to study the traditions of the best teams, their forms and methods of work; to test their abilities by practically showing them; to make the first steps towards the formation of a highly skilled specialist in the field of agro-industrial production.

Despite the continuation of negative trends in reducing the opportunities and effectiveness of organizing and conducting practical

training of students in the production, in Zhytomyr Agrotechnical College abandoned practices at bankrupt enterprises. During recent years, the College has reviewed and concluded new cooperation agreements with enterprises and organizations of various economic sectors with a high level of modern innovative production technologies and performance. So, for the specialty “Agroengineering” there are such enterprises as: PE “Galeks Agro”, Corporation “Svarog West Group”, AF “Brusiliv”, PAE “Bigunske”, AF “Yerchiki”, etc. (of all 35 farms); for the specialty “Agronomy” of the enterprise – AFF “Shar”, FF “Kavetsky”, PJSC “Agrarian System Technologies”, LLC “Rajz Polissya” (also 35 farms); “Electric power, electrical engineering and electromechanics” – LLC ZhZMK, PJSC “Zhytomyroblenergo” (21 institutions), specialty “Construction and Civil Engineering” – PJSC “Zhytomyrgaz”, SE “ZhytomyrVodokanal” (12 institutions). At these enterprises, students are integrated practical classes, which combine theoretical knowledge with practical experience to solve the identified production problems. Significant professional experience is received by students of the 4th course of the department “Agroinengery” during practical training sessions “Technical service in agroindustrial complex”, “Operation of machines and equipment”, “Repair of machines and equipment” in v. Paripsi of Popilnyansky district in the agricultural enterprise of “Agrarian Systems Technologies” Ltd. The specialists demonstrate to the students the structure of the enterprise, the whole machine-tractor fleet of modern technology and the peculiarities of its regulation, the responsibilities of the engineering-technical service, as well as advanced technologies of production of agricultural crops, technology of maintenance and repair of machinery. In order to ensure the production of agricultural crops, the enterprise uses modern technology of the companies VADERSTAD, AMAZONE, KINZE, CASE, CLAAS. Students have the opportunity to work on modern grain harvesters during harvesting of late cereals. Every year students and teachers of college attend International Agrarian Exhibitions, participate in business seminars on the exchange of agricultural experience, engage with enthusiasm with representatives of production companies, and have been practicing abroad in recent years (Germany, Poland, Denmark, etc.).

Particular attention is paid to the practical skills of students. Thus, during college studies, students receive the labor professions in the following specialties: “Agroengineering” – “Tractor driver-machinist” of the categories “A1”, “A2”, “B”, "D", “Driver” of categories “B”,

“C”; “Agronomy” – “Tractor driver-machinist” of the categories “A1”, “A2”, “B», “D”, “Driver” of categories “B”, “C”; “Gardener”; “Electro-energy, electrical engineering and electromechanics” – “Electrician”.

During the annual independent testing on-line at the initiative of the State Institution “Scientific-Methodical Center for Information-Analytical Ensuring Activities of Higher Educational Institutions “Agro-Education” graduate students show high results. In accordance with the results of independent monitoring of the knowledge of educational-qualification level students “junior specialist”, students of the specialties received the highest average score: “Operation and repair of machinery and equipment of agro-industrial production” – (4.87); “Installation of maintenance and repair of electrical installations in the agro-industrial complex” – (4.86); “Finance and Credit” – (4.65); “Economics of Enterprise” – (4,5). A fairly large number of students of the Zhytomyr Agrotechnical College continue their studies in the higher agrarian institutions of the region and Ukraine.

The efforts of the administration and the whole scientific-educational team of the Zhytomyr Agrotechnical College are aimed at creating their own base of practical training, since the educational institution has a large production fund for this purpose. In the College successfully operates a training-production workshop with modern equipment (lifts, multi-car crane, lifting cranes, etc.), where service, diagnostics and repair of modern equipment are carried out. In 2016, a re-equipment of the tire equipment department was purchased, for which the equipment of the Czech firm *Ferdus* was purchased and new *GPS* systems were installed on agricultural machinery.

To improve practical training along with the corresponding one material-technical ensuring very important is staff ensuring. Therefore, the constant increase of professional qualities of teachers and masters is one of the main tasks of an educational institution, subject to compulsory internship in the workplace. The educational process in College is provided by 131 scientific-pedagogical workers. Among them: have a higher category – 60 people; teachers-methodologists – 31; 3 Doctors of Sciences; 25 candidates of sciences; 11 teachers continue to study at postgraduate studies. Successful training of teachers at the leading enterprises of Zhytomyr region: LLC “OPAD”, FF “Mriya”, SE “Nova Peremoga”, ALLC “Zorya Polissya” and at the German agrarian center, which allows to increase and update the practical skills of teachers.

The activities of the teaching staff are aimed at increasing the

professional-raining of specialists. Intensifying partnerships relations with employers with the involvement of them in the formation of the content of education, programs, in accordance with specific conditions and production needs, being conducted the student's practices on the enterprises requiring graduates of the corresponding specialties. Continues the search for ways of international cooperation with universities and enterprises for practical training and internship. It has become traditional to involve practical classes in conducting the special representatives of enterprises, successful graduates, etc. The work was started of the experimental group on dual education on the basis of an agreement with LLC "Ukrainian Center for Dual Education".

Consequently, the application of integration forms and methods during conducting of high-quality practical education of students will promote the establishment of mutual understanding and improvement of cooperation between teachers, students and the staff of the enterprise where the practice takes place, it gives an opportunity to broaden the potential learning opportunities and develop students' abilities. Integration and innovation are the necessary conditions for the modern educational process, their implementation in the College will enable the transition to a new level of development, since the goal of integration and innovation is one – the development of creative, professional, capable of creative search and change of rural youth. Possibility of using positive achievements in the development of vocational training of College and professional education can become important factors for the sustainable development of rural areas built on innovative principles.

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THE STANDARD OF LIVING OF THE POPULATION OF THE KHMELNYTSKY REGION: THE STATE AND INNOVATIVE ASPECTS OF GROWTH

The most important task of the state authorities in any country is to ensure a decent level and quality of life of the population of its regions, the solution of which characterizes the achievements of the state in relation to socio-economic progress. According to UNDP studies, which are reflected in the annual reports on the state of human development in

the world, Ukraine is significantly behind the developed countries of the world and most European countries in many indicators of socio-economic development, which has affected the deterioration of living conditions of the population, the deepening of social and property segregation of the population and general indicators of human development in Ukraine in general and its regions in particular.Presentation of the main results.

In connection with the deepening of disproportions and contradictions in the development of individual regions of the country of particular relevance in modern conditions are studying regional aspects of living standards of the population in order to solve the problems of overcoming its differentiation in the regions, finding ways to improve living standards and ensure the growth of human development opportunities on an innovative basis.

Therefore, an urgent problem that needs to be solved is the problem of ensuring balanced development of each region on an innovative basis, the formation of a balanced regional socio-economic policy aimed at a comprehensive increase in the level and quality of life of the population. This can be achieved by integrating the efforts of state authorities, local self-government, academics and society as a whole.

One of the most important socio-economic indicators that characterizes the social situation in the country, the ability to meet the existing and form new needs of the population, the possibility of realizing rights and freedoms as a citizen and personality is the standard of living of the population in the country. The standard of living of the population is a multifaceted complex socio-economic category, which includes the characteristics of a wide range of socio-economic relations related to the real conditions of human life in society and the possibility of their formation on an innovative basis and determines the state and capabilities of human development.

The scientific understanding of trends in regional human development, disproportions in the level and quality of life, the state of the system of state social standards and guarantees functioning, the establishment and analysis of the basic laws make it possible to propose separate approaches to modernize the tools for the development and implementation of social policy [1].

In conditions of modern market transformation in Ukraine, the important task is to constantly monitor the standard of living of the population both within the country as a whole and in the context of its regions, as this is one of the leading components of human development.

To this end, we will conduct a study of living standards of the Khmelnytskyi region based on the analysis of the main socio-economic indicators of living standards: natural population growth and average life expectancy; the volume of real GDP per capita; the state of the regional labor market; real wages; cash income and expenses of the population; integral regional index of human development.

Table 6.8 contains the main indicators of socio-economic development of Khmelnytskyi region for 2013-2016 [2].

Table 6.8

Main indicators of socio-economic development of Khmelnytskyi region for 2013-2016 *

Indicators	2013	2014	2015	2016	Growth rate 2016/2013, %
The number of permanent population (at the end of the year), ths.	1303,8	1298,1	1291,2	1282,1	98,3
Natural increase, decrease (-) of population, ths. people	–6,0	–5,8	–6,7	-7,2	-
Gross regional product (in actual prices), mln. UAH	26426	32162	41088	…*	-
in the calculation per person, UAH	20165	24662	31660	…*	-
Number of employed, ths people	573,7	521,9	500,5	510,1	88,9
The number of unemployed (according to the methodology of the ILO), ths people	49,9	54,0	56,6	53,0	106,2
Unemployment rate (based on ILO methodology), percent	8,0	9,4	10,2	9,4	117,5

** Compiled by source [2]*

… - data were not available at the time of the study*

The population number of the region, as well as the country as a whole, is one of the main indicators of the achieved standard of living, opportunities for development of human potential. As the analysis showed, during the period under study, the number of constant

population of the region has a steady downward trend, in particular in 2016, as compared to 2013 (comparisons are made with the year when political, military and caused by them economic disasters have started in Ukraine), the number of population has decreased by 1.7%.

The decline in the population of the region continued to occur in 2017 as well. Thus, according to preliminary data of the Main Department of Statistics in Khmelnytskyi region, the number of existing population in the region on January 1, 2018 was 1274.4 thousand people. As a result of the demographic processes that took place during 2017, the size of the existing population was reduced by 10858 people. The main factor in reducing the population was its natural reduction (8076 people), as a result of exceeding the number of deaths over the number of live births: 100 deaths - 59 live births. Among the causes of death in the region the first place took diseases of the circulatory system (60,7%), the second - neoplasms (13,0%), and the third - external causes of death (5,2%) [3].

In terms of demographic development, human development in general, the average life expectancy at birth is an important indicator. For Khmelnytskyi region, the characteristic is an insignificant growth of the specified indicator between 2013 and 2016: in 2016 (72.31 years), as compared with 2013 (71.88 years), - by 0.43 years, or by 0.5%, which is evidence of some positive changes in the human development opportunities of the region [4].

To a large extent, the demographic indicators of the region are influenced by the results of socio-economic development, which determine the ability of the population to plan and realize their future, their families, to maintain a proper level of health and to lead a decent lifestyle.

The steady growth of gross regional product production in the region (Table 6.8) does not correlate with labor market indicators. From 2013 to the end of 2016, the number of people employed in the region's economy decreased by 63.6 thousand people. At the same time, the rate of increase in the number of unemployed in the region amounted to 106.2% [5].

According to the State Employment Service, the state of the labor market at the end of 2017 was determined by an increase in the number of registered unemployed (during December 2017) by 29.2%, which at the end of the month amounted to 12.1 thousand people. The loading of registered unemployed at one vacant post at the end of December 2017 increased from 6 to 10 people and ranged from 1 person in Khmelnytsky

to 165 people in the Gorodok district. The average number of unemployed who received unemployment benefits during December 2017 amounted to 7.7 thousand people. The average unemployment benefit amounted to UAH 2213.5, which is 30.8% less than the legally defined minimum wage (UAH 3200) (report).

Employment is the main link between the achievement of economic growth and the creation of opportunities for human development. In general, the characteristics of the labor market of the Khmelnytskyi region between 2013 and 2016 are the overall reduction of jobs, an increase in the number of the unemployed, which causes an increase in labor market tensions.

The state of employment of the population determines the opportunities to independently provide the necessary for a decent life income, which can be directed to individual human development, the growth of education, health promotion, increase in quality of life. As the wage occupies a significant share in the structure of labor income (for Khmelnytskyi - 38.8%) [4], it plays, in modern conditions, an important role in ensuring an adequate standard of living for the population and human development. It should be noted that the average salary of employees of Khmelnytskyi is much lower than the corresponding indicator in Ukraine. Thus, the average nominal wage of a full-time employee of enterprises, institutions and organizations in December 2017 amounted to UAH 7559, which is 2.4 times higher than the minimum wage (UAH 3200) [6], but almost 14% lower than the the average for Ukraine [7].

In addition, on January 1, 2018, the total amount of arrears of wages in the Khmelnytskyi region amounted to UAH 5.8 million, of which UAH 1.1 million was accounted to economically active enterprises [8].

The gradual growth of the nominal wage relative to the subsistence minimum is a positive moment in shaping the standard of living of the population of Khmelnytskyi region, as well as Ukraine as a whole. However, wage levels are offset by such economic factors as rising prices, tariffs for housing and communal services, etc. In particular, according to the Main Department of Statistics in the Khmelnytskyi Region, this caused a decrease in index of the real average wage for region workers from 109.6% in 2013 to 77.8% in 2015. Despite the fact that the real wage index in January and December 2017, compared to the corresponding period in 2016, amounted to 128.0%, the consumer price index continues to grow in the region (during 2017 it was 113.8%).

The abolition of price regulation has led to an increase in food prices,

in particular, a significant rise in prices has been recorded for most socially important food products: 46.0-21.9% for pork, lard, beef, fruit, milk, sour cream, poultry, cheese, cereals, bread, 19,9-9,2% for eggs, sour-milk products, butter, rice, vegetables, wheat flour and confectionery, pasta.

The growth of prices (tariffs) on housing, water, electricity, gas and other fuels by 11.7% was caused by an increase in tariffs for the maintenance of houses and adjoining territories - by 1.7 times, water supply - by 31.4%, electricity - by 28 , 1%, sewage - by 21,1%, rental of housing - by 11,5%. Prices for pharmaceuticals, health care and education services have increased as well.

It becomes obvious that the growth of the subsistence minimum and the minimum wage in the amounts determined by the current legislation are not able to satisfy the comprehensive needs of the population development, and, in fact, ensure its welfare.

Thus, an important value in ensuring the growth of living standards and the conditions for human development acquires a matter of forming incomes of the population as a whole, as a set of cash and material goods (wages, profits and mixed income, received income from property, social benefits, social transfers in kind and other current transfers), which are aimed at supporting the physical, moral, economic and intellectual status of a person and meeting his needs.

As a result of the analysis of the income level of the population in Khmelnytskyi region, it was found out that in general the disposable income per capita in 2015, compared to 2014, increased by 25.7%, whereas in 2016, compared with 2015, the growth was only 15.7%. However, real disposable income in percentage terms to the previous year amounted to 84.3% in 2015, which influenced the differentiation of the living standard of the population in Khmelnytskyi region [4]. The indicator growth rate in 2016 compared to 2015 was 100.8%, but did not significantly improve the situation.

The number of population with an equivalent cash income per capita per month, below the subsistence level, in 2015 was 19.3% of the total population (in Ukraine as a whole - 11.1%), in 2016 - 17% (in Ukraine as a whole - 10,2%) [4]. Decile coefficient of differentiation of total incomes of the population was 2.6 times [9].

The decline in living standards is evidenced by the structure of total expenditures of the population in Khmelnytskyi region, in which in 2016 total consumer expenditures amounted to 93.6%, including foodstuffs occupied 56.1% [4]. Among total consumer spending, food

stuffs and soft drinks accounted for almost 58% (compared with 50% in 2013), health spending increased from 2.5% to 3.6%, non-consumption total costs decreased from 14.6% in 2013 to 6.5% in 2015, spending on education dropped from 1.7% to 0.6% of the total population's total expenditure.

The increase in the number of applications for subsidies is another indicator that reflects the trends of living standards in Ukraine and in Khmelnytskyi region in particular. Thus, according to the Main Department of Statistics in the Khmelnytsky region, the amount of benefits and subsidies increased from 0.6% in 2014 to 11% - in 2016. In 2017 subsidies for reimbursement of expenses for the payment of housing and communal services were allocated to 355,3 thousand households (by 74.6 thousand, or 26.6% more as compared to 2016) for a total amount of 183.3 million UAH. At the same time, the share of appeals of households living in urban settlements was 60%.

At the end of December 2017, the payment arrears of the population in the Khmelnytskyi region for gas services amounted to 84.0 million UAH, for electricity - 68.0 million UAH, for centralized heating and hot water supply - 66.0 million UAH, for the maintenance of houses, buildings and adjoining territories - 40,1 million UAH, for household waste disposal - 3,5 million UAH, for centralized water supply and sewage - 3,3 million UAH.

Significant decrease in real incomes of citizens, deterioration of the structure of aggregate expenses lead to the formation and spreading the poor layer of population in society. Therefore, the government's primary task is to aim at achieving the welfare, as this is precisely what determines the transition to steady growth of level and quality of living in the country [10].

The Ministry of Social Policy of Ukraine, in pursuance of the General Agreement, informed JRB of trade unions on poverty indicators by results of the year 2016. Thus, in the context of the regions of Ukraine in 2016, the Khmelnytskyi region was the sixth among the regions with the highest poverty rates by relative criterion (at cost): Rivne region (56.6%), Luhansk region (36.2%), Kyiv region (without Kyiv) (33.8%), Kherson and Zhytomyr regions (32.7%), Khmelnytsky region (32.5%) [11]. At the same time, the indicator was 1.5 times higher than the average in Ukraine (23.5%).

As for the poverty level of the population according to the absolute criterion (according to incomes below the actual subsistence minimum), for the Khmelnytskyi region in 2016 there was a positive trend: 58.8%

against 63.5% in 2015, however, it is 7% higher than the average indicator as a whole in Ukraine (51.1%).

It should be noted that the poverty indicators brought by the Ministry of Social Policy of Ukraine do not really reflect the real state of poverty in the country, since the calculations are based on the approved subsistence minimum or the actual one, calculated by the Ministry of Social Policy, which has not been reviewed for 15 years.

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Despite the fact that the Cabinet of Ministers of Ukraine in 2016 approved a new set of consumer basket, on the basis of which the living wage is calculated and on which social payments depend in the state, the consumer basket of 2018 is still far from real life. The size of the subsistence minimum in Ukraine is not adequate to reality. Significantly underestimated its value does not ensure its performing the function of the basic social standard, which is put into the basis for determining the minimum acceptable standard of living for citizens. And hence, it does not reflect the real state of affairs regarding the standard of living of the population and not accurately characterizes the situation of the poor population.

An integral indicator of living standards of the population in any country is the human development index. Today, the Ukrainian realities are the growth of disproportions in regional development, the increase in income inequality, the growth of poverty of the population and the reduction of human development opportunities.

A new Methodology for measuring regional human development was approved by the decision of the Presidium of the NAS of Ukraine and the Collegium of the State Statistics Service of Ukraine of 13.06.2012 by No 123. The calculation of the regional index of human development included 33 indicators, which are united in 6 blocks according to the main aspects of human development: population reproduction; social status; comfortable life; welfare; decent job; education.

As the data show [12], the high levels of the integral regional index of human development in Ukraine in 2015 were characteristic for Ivano-Frankivsk (the 1st place in the rank of regions by the IHPD indicator), Chernivtsi (2nd place) and Zakarpattia (3rd place) regions. In conditions

of the absence of information on the Autonomous Republic of Crimea, Donetsk and Luhansk regions, Khmelnytskyi region fell into five outsiders, ranked 18th of the regions according to the integral regional index of human development. Chernihiv, Kirovograd, Kherson and Zhytomyr regions occupied respectively 19th, 20th, 21st, 22nd places in the rating. The rather low level of the integral regional index of human development in Khmelnytskyi region in 2016 was caused by low indicators in the "Comfort Life" block (the 21st place in the ranking of regions versus the 20th in 2015), the "Welfare" block (the 20th place versus the 14th place in 2015) and the "Education" block (the 20th place versus the 21st in 2015). There was a decrease in the indicator in the "Decent job" block - from the 11th place in 2015 to the 14th in 2016.

Thus, an analysis of the standard of living of the population of the Khmelnytskyi region revealed a number of problems that do not contribute to the increase in welfare of the population and in general hinder the development of human potential. Among them: the deterioration of the demographic situation, which simultaneously is the cause of socioeconomic transformations (quantity and quality of the population, labor potential and labor force) and their consequences (low birth rate, high mortality rate, decrease in life expectancy due to increased morbidity and complex material position); the deterioration of the labor market state (lowering the level of employment, rising unemployment); reducing the purchasing power of the population due to the rising cost of living, a very slow decrease in the indicator of absolute and relative poverty of the population; the low ranking of the region by the integral regional index of human development in Ukraine.

Similar problems are more or less inherent in many regions of Ukraine, which had a negative impact on the human development index in Ukraine, which was presented by UNDP in its report on the state of human development in 2016 (0.743, corresponding to the 84th place among 188 countries and territories, while in 2015 Ukraine was on the 81st place).

Thus, in order to improve the living standards of the population in region, to ensure human development opportunities in Khmelnytskyi region needs to solve a number of important tasks on an innovative basis.

Today in the Khmelnytsky region there are problems, the solution of which is impossible only by means of territorial or branch management and requires state support, coordination of activities of central and local executive authorities and local self-government bodies.

The solution of these problems corresponds to the priority areas of state policy and requires, in certain cases, the need to provide innovative inter-branch and interregional links between technologically related industries and productions, as well as real resource support for the implementation of measures.

The effective tool for solving the most important problems in the development of the Khmelnytskyi region should become the development of realistic state target programs, as a set of interrelated tasks and activities on the innovative basis that will be carried out using the funds of the State Budget of Ukraine, agreed upon by terms of execution, composition of performers, resource ensuring and accompanied by a clear control of execution.

State target programs should be oriented towards innovative development of such spheres of public life as economic, scientific and technical, social, national-cultural, environmental protection, have a long-term implementation period and are carried out by central and local executive authorities.

In general, state target programs are developed and approved at the level of Khmelnytskyi RSA, however, the current reality is the inactivity of such programs. For the most part, they only act as a "formal document with a declaration of intention to do something".

The primary measures that must be taken in the direction of solving the problems of improving the living standards of the Khmelnytskyi region and ensure the development of human potential should lie in the plane of effective regulation of the regional labor market on an innovative basis in the direction of creating new and modernizing old jobs in order to increase the level of employment of the population, in particular the youth, providing flexible forms of employment

The above seems possible due to the priority development of industry on an innovative basis. In this context, the development of effective state-targeted programs is simply necessary and has every chance to be realized under conditions of coordination of the activities of central and local executive authorities, enterprises, institutions and organizations, subjects of small, medium and large business for solving the most important problems.

Possibilities for accelerated development of the whole territory of the region create the presence of quite powerful cities in the south, north and west of the region; sufficient ensuring (surplus) by electric resources due to KhNPP; availability of natural resources, minerals (clay, sands, peat, limestone) for the development of construction materials industry

and local construction; significant mineral water reserves of the type "Naftusia" and radon water; relatively low ecological load.

Taking into account that the general level of urbanization of the region is 54,1% (against 68% of the average Ukrainian indicator), a significant proportion of the rural population is a reserve of additional human resources for the placement of new innovative productions; geographic location in a moderate climate minimizes the risks for agriculture; there is a is growing demand for food and environmentally friendly agricultural products in the world market, the most important and promising direction is the development of agriculture in the region. We believe that solving these problems of regional development is of national importance.

It should be noted that among the measures for innovative regulating the regional labor market, the use of flexible forms of employment, especially for young people, is important, which will promote both primary and secondary employment, and hence the growth of incomes of the population as one of the main tools for improving living standards. In addition, the increase in the price and cost of labor; raising the minimum wage according to the needs of modern realities; ensuring the timely payment of wages and preventing the occurrence of arrears on its payment are of paramount importance.

An important task on the way to create favorable conditions for raising the standard of living in Khmelnytskyi region is to ensure the competitiveness of the labor force, as there is a shortage of skilled labor force for the functioning of innovative productions in the region, and the structure of vocational training does not meet the needs of the region's economy.

Due to the fact that the concept of human development proceeds from the priority necessity of the development of humans in their interests and by their own forces, for the Khmelnytskyi region, as well as for all other regions of Ukraine, a positive role will be played by the creation of the necessary conditions for conducting entrepreneurship, development of small and medium-sized businesses in the sphere of industrial production, provision of services, ensuring recreation, rural tourism etc., as well as a favorable investment climate for attracting into the economy of the region internal and external investments.

The relevant task for Khmelnytskyi region is also implementation of programs of state housing construction and social infrastructure. This is especially true of rural areas. The housing problem in the village and the lack of conditions for raising the level of productive employment of the

rural population remain one of the most acute socio-economic issues in the region. At present, there is an outflow of youth from rural areas, the main reason for which is the lack of adequate housing conditions and jobs. For the overwhelming majority of peasants, land cultivation and farming are the main means of existence, therefore the possibility of improvement of the estate with the ensuring all necessary communications, the creation of proper conditions for life, the development of a personal peasant economy are one of the main factors in improving the living standards in the countryside and deterring the migration of the population beyond rural areas. The village of Khmelnytskyi region is in dire need of investments for the construction of new types of dwelling houses, getting housing and especially the further development of engineering networks (gasification, water supply, sewerage, heating). Among the ways of implementing this is preferential lending.

In general understanding, the standard of living of the population and the prospects of human development in the region largely depend on the growth of the basic social standards, the improvement of the system of social protection of the population in order to strengthen the targeting of social programs and revision of the preferential system; improvement of labor and pension legislation; improving the quality of medical care for the population, introducing a system of medical insurance; formation and implementation of programs on ecologization of social development in the direction of implementation of energy and resource saving technologies, reduction and processing of industrial and domestic waste, as well as the growth of ecological consciousness and the general culture of the population.

The opinion on the necessity of developing and implementing programs and projects aimed at preparing young people for family life and responsible parenthood, promotion of a healthy lifestyle is sound in our opinion [13]. At first glance, it is little tangent to the topic of research, but we are convinced that the proposed thing will accumulate the efforts of young people in the direction of search for ways to provide decent living conditions for themselves and their families, will form valuable orientations for a strong family and the responsibility for its preservation and strengthening.

The implementation of the proposed measures will be effective within the framework of the Regional Development Strategy of the Khmelnytskyi region, which should take into account all the challenges and benefits and anticipate the optimal use of all available resources

with the use of innovative production technologies and service delivery.

It is the development strategy that should determine long-term prospects, taking into account the requirements of future generations and the need for sustainable development.

As for the population of Khmelnytskyi region, as well as for many regions of Ukraine, the problem of combating poverty, both absolute and relative, is relevant in modern conditions. Improving the standard of living and welfare of the population is at the same time a goal and a priority direction of social development and is associated with social progress of society. We believe that from the standpoint of the concept of human development, the standard of living of the population of the region should cover not only the level of consumption of material and spiritual goods, but also the opportunity to choose for yourself a model of behavior that will be most suitable for a person from the standpoint of her participation in work, recreation, conditions of life, cultural and spiritual development on the principles of compliance with the achieved world standards.

The living standard of the population of the region, the country as a whole, is formed under the influence of many factors, among which the important role is played by the socio-economic policy of the state, as well as cultural and valuable orientations of the population. In general, we believe that in order to ensure the appropriate level and quality of life of the population, efforts should be directed from two sides: both from the state's activities to ensure a decent standard of living for the population and from the citizens themselves.

At the same time, we agree with the idea that the state is obliged to create favorable conditions for its citizens to live a long, safe and healthy life in welfare and well-being by ensuring economic growth and social stability of society [14].

Prospects for further research are to monitor and assess the living standards of the population of the region in order to identify problems and search for ways to solve them in order to raise the level and quality of life of the population and create favorable opportunities for human development.

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CONCLUSION

In a market economy one of the most important factors in the effective functioning and development of economic entities is the successful implementation of their innovation activities. In turn, the spread of processes for the introduction of innovation by economic entities becomes a key condition for accelerating the socio-economic development of the country.

The results of the author's research in the collective monograph are devoted to solving problems of formation and development of an effective system management of innovative development and theoretical-methodical principles of organizational-economic management by choosing directions of innovative development the economic entities.

Innovative activities are usually carried out by economic entities from time to time, rather than on a regular basis, due to lack of financial and other resources, uncertainty and increased risk of innovation, lack of appropriate experience in innovation management and effective science-based tools formation of the mechanism management of innovative development.

The main advantage of the innovative way of development is ensuring economic growth without proportional increase in consumption of raw materials, formation of conditions under which investment into the creative and scientific potential of society becomes extremely advantageous. After all, innovative development the economic entities, based on the general principles of cyclical development of scientific-technological progress, determines the objective need for changes in generations of technology and technologies, provides of possible alternatives for the implementation of scientific-technological innovations, etc.

The presented results of the research in the collective monograph reflect the theoretical and practical aspects of the introduction of mechanisms for the management of innovative development the economic entities.

It is established that the increase of the efficiency activity the economic entities in the current harsh environment of the competitive environment is based on the improvement of the process management of innovative development the enterprise.

It is determined that the need for implementation of innovative development the economic entities are stipulated: the intensification of intensive factors the production development, which promote the

application of scientific-technological progress in all spheres of economic activity; the determining role of science in improving the effectiveness of the develop and introduction of new technology; the need for a significant reduction in the timing of creation and implementation of new technology; increase of technical level of production; the need to develop the creative skills of inventors and innovators; increase in costs and deterioration of economic indicators of economic entities when developing new products; rapid moral aging of technology; the objective need for accelerated implementation of new technology, etc.

The system management of innovation development is an open system that constantly interacts with the external environment of activity, providing flexibility and adaptability the economic entity to market conditions. Taking into account these functions makes it possible to conclude that the process of transition the economic entity to the innovative way of development requires the creation of a new system of its organizational management taking into account corrective actions.

Innovative development in the volatile market conditions of the transition economy is characterized by specific features that cause the formation of numerous models of management systems in each particular situation. The choice of a model depends on the conditions of activity the economic entity, the level of economic development, the formation of its innovative potential.

The current stage of expansion of globalization, informatization and market relations provides great opportunities for development at the expense of connecting to innovation processes more advanced economic entities, integrating participants of innovations within the framework of cooperation, attracting Internet technologies, using world achievements and opportunities of international institutions. According to practice the business entities in the formation of organizational potential insufficiently used the possibilities of world consolidation. The main reason for such a situation is the low level of readiness for changes the economic entities. The period of organizational change requires serious investment, which in turn limits the possibilities of the current economic growth the economic entity, regardless of the sources of funding for innovative development programs. At this stage, the formation and flexibility of the management system of innovative activity the economic entity enables to transform into a new way of development without unnecessary expenses. Innovative development is a systemic orientation of activity the economic entity to achieve high performance results at the expense of innovation factors, which are based on a continuous uninterrupted search of new means and

spheres of realization of the potential the enterprise in an unstable market environment. Innovative development at the level of an individual economic entity involves the implementation of the process of introducing promising innovations, the implementation of which should contribute to increasing the competitiveness of the enterprise.

The transition of the economic entity to the way of innovation development requires him to organize a management system capable of responding quickly to changes in both the external and internal environment of operation. Management of innovative activity the economic entity is a complex system of interrelated functions, the sequence of which ensures the formation of competitive advantages through innovative development factors.

The economic situation in recent years is characterized by an increase in the degree of globalization and business informatization, increased competition on the markets of goods and services, capital and labor. Such market development leads to the need to create a sustainable innovation policy, which is based on the integration of economic entities, concentration of capital. As the world experience shows, alternatives to innovative development today do not exist yet, since it is practically impossible to compete in foreign markets in the traditional field of activity. Only fundamentally new technologies, supported by managerial innovations, will create a new competitive environment and provide the prerequisites for achieving leadership positions on the market. In turn, increase of business activity and innovation will allow providing high rates of economic growth, increase of capitalization the economic entities and scale of production.

The generalized researches in the collective monograph indicate that the management of innovative development the economic entities should be considered as a systematic management of innovation activities aimed at creating and ensuring the achievement of economic growth through the rational use, increase and distribution of innovation and economic-technological potential, including material, labor, financial, information resources, in order to transform it into innovative capital, is capable of providing innovative development the enterprise. That is, while managing of innovative development the economic entities there is a systematic decision-making process and the transformation of innovation potential into innovative capital, the very realization of innovation potential leads to the innovative development of economic entities, and the systemic ensures the sustainability of development.

Organizational-economic mechanism of management innovative development of economic entities

Collective monograph edited by
M. Bezpartochnyi

Mechanizm organizacyjno-ekonomiczny zarządzania innowacyjnym rozwojem podmiotów gospodarczych

Monografia zbiorowa pod redakcją naukową
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