Competitiveness enterprise in modern conditions: problems and prospects

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Today, before every company is the issue of assessing the level of competitiveness in order to enhance our competitive position and to offer effective ways of increasing. In modern conditions the competitiveness assessment is the starting point for the development of strategic alternatives relative to strengthening and enhancing the position of the company. For efficient and successful operation of the enterprise in the market, assessment of its competitiveness is an objective necessity. As the process of identifying weak and strong points (advantages and disadvantages) of the enterprise it gives a maximum improvement of its activities and identify its hidden potential possibilities [20].

Analysis of recent researches and publications


Unsolved aspects of the problem

Category of competitiveness is one of the main economy aspects, because there are economic, scientific-technical, production, managerial, marketing opportunities as a separate business entity, and economy as a whole. The concept of "competitiveness" is increasingly becoming the subject of research and analysis specialists and scientists. The aim of the article is to systematize the methods of performance assessment, research problems, that arising in the course of competitiveness of modern enterprises, and identify effective development and methodological approaches to assessing the level of competitiveness of enterprises.

The main part

Modern crisis tendencies in the global and national economy adversely affect to the competitiveness of enterprises. Enterprise...
Competitiveness is a set of interrelated elements, which are aimed at support and development of both existing and to create new competitive advantages. Enterprise competitiveness is the ability to produce and sell their products quickly, cheaply, efficiently, and to sell it in sufficient quantities, at high technological level of service. Enterprise competitiveness is the ability to effectively use own and borrowed resources in a competitive market [1]. For a more detailed study of the concept of "competitiveness", consider approaches to its interpretation in the writings of various scholars table 1.

<table>
<thead>
<tr>
<th>Source</th>
<th>The definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Porter M. [2]</td>
<td>Competitiveness is a property of a product, service, market entities to act in the market along with present a similar goods, services or competing entities of market relations.</td>
</tr>
<tr>
<td>Fatkhutdinov R.A. [5]</td>
<td>Considers competitiveness as &quot;a property of an object, characterized by the degree of real or! potential satisfaction of specific needs in comparison with similar objects in this market.</td>
</tr>
<tr>
<td>&quot;Great Dictionary of Economics&quot; (ed. Azriilyana A.N.) [5]</td>
<td>Competitiveness is a property of the product along with the presence of similar products, services or competing entities of market relations.</td>
</tr>
<tr>
<td>Helvanovskyy M., Zhukovska V., Trofimova I. [5]</td>
<td>Competitiveness in the most General form is possessing the properties that create advantages for the subject of economic competition.</td>
</tr>
<tr>
<td>Makdonald M., Danbar Ya. [6]</td>
<td>Competitiveness is a measure of the real strength of the organization in each segment, an objective assessment of the company's ability to meet the needs of each segment in comparison with competitors.</td>
</tr>
<tr>
<td>Kretov I.I. [7]</td>
<td>Competitiveness is a characteristic of the product that reflects its difference from the goods of a competitor, on the one hand, the degree of compliance of the same social needs, and on the other – the level of costs for addressing these needs.</td>
</tr>
<tr>
<td>Mahometov Sh.Sh. [8]</td>
<td>Competitiveness means being able to compete. The competitiveness of firms is mainly determined by the competitiveness of the proposed goods.</td>
</tr>
<tr>
<td>Lebedyeva O.A., Lyhina N.I. [9]</td>
<td>Competitiveness is a complex concept that involves several levels of competitive advantage. To provide a decent (high-end) position of the firm in the market, an important strategic task is ahead of the competition in design and development of new products, new technology, new design, new level of production costs, new prices, innovations in the system of distribution and marketing. This achieves several parameters of competitive advantage.</td>
</tr>
<tr>
<td>Dulisova I.L. [10]</td>
<td>Competitiveness is a property of the object, characterizing the degree of satisfaction of specific needs in comparison with the best similar objects represented in this market.</td>
</tr>
<tr>
<td>Piddubnyi I.O., Piddubna A.I. [11]</td>
<td>Competitiveness is a potential or realized the ability of the economic entity functioning in the relevant external environment, which is based on the competitive advantages and reflects its position relative to its competitors.</td>
</tr>
<tr>
<td>Knysh M.I. [11]</td>
<td>Competitiveness is the degree of appeal a given product for carrying out a real buying customer.</td>
</tr>
<tr>
<td>Hroshev V.P. [11]</td>
<td>Competitiveness is a complex of consumer properties of the product that defines its difference from other similar products by the degree and level to meet the needs of customers and the cost of its acquisition and operation.</td>
</tr>
<tr>
<td>Ozhehov S.I. [11]</td>
<td>Competitiveness is the ability to withstand competition, resist the competitors.</td>
</tr>
<tr>
<td>Shvets V.Ye. [11]</td>
<td>Competitiveness is not that other, as a manifestation of product quality in the conditions of market relations and is determined by the ability of the products to be sold in a particular market, to the extent possible and without loss to the manufacturer</td>
</tr>
</tbody>
</table>

Source: Own elaboration [2, 5-11]

After analyzing table 1, we can say that problems and differences of author's positions regarding the definition of "competitiveness" are associated with:

— the scope of competitiveness at the regional, national or global market (enterprise, industry, country);
— replacing that concept to others (competitive status, competitive level and other);
— identification of competitiveness of the enterprise and competitiveness of services or products;
— characteristics of any component of the enterprise competitiveness, such as: competitiveness of labour, productive capacity [12, 13].

There are main stages of the assessment and increase of competitiveness of enterprises (table 2). To assess the competitiveness of enterprises producing a wide range of products, you can use the model, desegrega, using detailed indicators of each specific group of products. This is necessary to determine the place occupied by the given commodity group (or individual products) in a number of presented on the market of similar products [18].

Using the stages of the assessment realization and increase of competitiveness of the enterprise, it is possible to analyze and to identify the main problems and disadvantages of the enterprise.
Table 2. Model phased evaluation and development strategy to increase the competitiveness of enterprises

<table>
<thead>
<tr>
<th>Stages</th>
<th>Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>The first stage</td>
<td>The analysis of indicators that determine the competitiveness of the enterprise:</td>
</tr>
<tr>
<td></td>
<td>— analysis of competitive (market) environment;</td>
</tr>
<tr>
<td></td>
<td>— analysis of internal (market) environment</td>
</tr>
<tr>
<td>The second stage</td>
<td>The definition of industry characteristics</td>
</tr>
<tr>
<td>The third stage</td>
<td>Formalization of evaluation methods of enterprise competitiveness</td>
</tr>
<tr>
<td>The fourth stage</td>
<td>The definition of the necessary information and the sources of its receipt</td>
</tr>
<tr>
<td>The fifth stage</td>
<td>The allocation of marks and the establishment on them of limits</td>
</tr>
<tr>
<td>The sixth stage</td>
<td>Development of actions on increase competitiveness of the enterprise</td>
</tr>
<tr>
<td>Source: Own elaboration [14, 16]</td>
<td>Development strategy of increasing the competitiveness of enterprises</td>
</tr>
</tbody>
</table>

Therefore, we can conclude that the received information, generates an information field and allow you to:
— first, to provide for a particular period assessment of the competitive environment of the studied subjects in the market;
— secondly, to identify the dynamics of the market and its segments;
— thirdly, a comparison of specific indicators with similar (the same) characteristics of competitors and proceed to the necessary calculations and managerial decision-making.

The main indicators for industrial enterprises are: product quality, breadth of range, the unit cost of production, the price of manufactured products, profit margins, profitability, own capital, liquidity of assets, the creditworthiness and solvency; the level of utilization of production capacities, human resources, salaries, etc. [14].

Through the SWOT analysis it is possible to identify the strengths and weaknesses of the organization and develop strategies and tactics work in the market, which is needed for the comparative evaluation of all these indicators and their comparison with similar indicators of competitors.

Indicators that are most often considered by academic economists and without which it is impossible to calculate the rating and the level of competitiveness of enterprise is presented in table 3.

Table 3. The system of indicators to measure competitiveness of enterprises

<table>
<thead>
<tr>
<th>№ n/н</th>
<th>Indicator</th>
<th>Index</th>
<th>Method of calculation</th>
<th>Indicator value</th>
</tr>
</thead>
<tbody>
<tr>
<td>K1</td>
<td>Market share</td>
<td>ΨΜ</td>
<td>( V_c / M_p )</td>
<td>( V_3 ) – catalog sales volume of the company in the market; ( M_p ) – capacity of the market.</td>
</tr>
<tr>
<td>K2</td>
<td>The quality of the products</td>
<td>Υп</td>
<td>Estimated scorecard</td>
<td></td>
</tr>
<tr>
<td>K3</td>
<td>The price level</td>
<td>Ρп</td>
<td>( \beta / \beta_c )</td>
<td>( \beta \beta_c ) – prices for similar products made by the investigated company to the competitor's price</td>
</tr>
<tr>
<td>K4</td>
<td>Breadth ratio range</td>
<td>Κп</td>
<td>( \overline{III_d} / \overline{III_b} )</td>
<td>( \overline{III_d} ) – the latitude is valid; ( \overline{III_b} ) – the base latitude</td>
</tr>
<tr>
<td>K5</td>
<td>Financial stability</td>
<td>Фп</td>
<td>Estimated scorecard</td>
<td></td>
</tr>
<tr>
<td>K6</td>
<td>The level of use ornamental power</td>
<td>Κп</td>
<td>( \Psi_b / \Psi_{b_c} )</td>
<td>( \Psi_b ) – the actual annual output of commodity products, ( \Psi_{b_c} ) – annual production capacity</td>
</tr>
<tr>
<td>K7</td>
<td>The distribution level</td>
<td>Ρд</td>
<td>( \gamma / \gamma_c )</td>
<td>( \gamma \gamma_c ) – the number of commercial enterprises researched the company and competitors</td>
</tr>
<tr>
<td>K8</td>
<td>Techno-economic level of the enterprise</td>
<td>η</td>
<td>Estimated scorecard</td>
<td></td>
</tr>
<tr>
<td>K9</td>
<td>Image (level corporate culture)</td>
<td>Пп</td>
<td>Estimated scorecard</td>
<td></td>
</tr>
<tr>
<td>K10</td>
<td>The cost of 1 UAH commercial output</td>
<td>Βп</td>
<td>( S_n / B )</td>
<td>( S_n ) – production cost; ( B ) – revenues</td>
</tr>
<tr>
<td>K11</td>
<td>Innovative activity level</td>
<td>Ρп</td>
<td>( N_{w} / N_o )</td>
<td>( N_{w} ) ( No ) – the number of innovations introduced in the studied enterprise</td>
</tr>
<tr>
<td>K12</td>
<td>Profitability</td>
<td></td>
<td>Estimated scorecard</td>
<td></td>
</tr>
</tbody>
</table>

Source: Own elaboration [14, 16]

After analyzing table 3 we can say that the level of use of production capacity is one of the most important techno-economic characteristics that affect the size of costs, product prices and, ultimately, on the competitiveness of the enterprise. In addition, the very essence of competition is expressed by certain forces that, at this stage, encourage her to develop regardless of whether it operates only domestically or foreign.
Therefore, according to the theory of competition, M. Porter [2] there are 5 problems driving forces of competition:
— not processing of market penetration and new industry competitors;
— finite property buyers;
— the threat of the emergence on the market of goods-changers made by other technology;
— the endless possibilities for manufacturers;
— constant competition between established and new enterprises [13].
The main problems of the low competitiveness of enterprises is:
— the lack of experience of competition; disregard of foreign law; the crudity bilateral and multilateral inter-state agreements;
— the presence of obstacles in the form of appropriate conditions of standardization and certification; the discrepancy of enterprise management systems with international requirements;
— the lack of national fundamental scientific research in this field;
— the activity of Western enterprises, which has existed for decades in the face of fierce competition.
An integrated approach to the solution of these problems requires the provision of interaction between government and enterprises at all levels of competitiveness. To solve these problems, there are ways to improve the competitiveness of enterprises, namely:
— the creation of the company image "fair" price by matching the price and quality;
— the expansion and improvement of the range products;
— best use of material assets and improvement of production yield;
— improving human resource capacity and management structures;
— a thorough study of the market needs;
— the presence of competitiveness domestic suppliers;
— sales promotion by holding various stocks and other companies [19].

Conclusions

A theoretical study is conducted regarding the definition of "enterprise competitiveness" and the questions of competitiveness of the enterprise in modern conditions: problems and prospects of its development. Noted that competition forces producers to introduce innovative production processes, new technologies – need to reduce production costs. Thus the company enhances the quality of the product and attracts the attention of new buyers, and therefore increases their own profits. For the effective functioning on the market it is not enough to only assess the competitiveness of the enterprise, you need to be ready to different situations in the market, only then the management will help the competitiveness of enterprise constantly to make changes (to improve) and manage all processes in the enterprise, which itself before to ensure its competitive advantage with all the consequences for the success of the enterprise.

Abstract

Today before every now faced the problem of evaluation of the in order to strengthen the competitive position and offer effective ways of raising. In modern conditions competitive assessment is the initial step to develop strategic alternatives to enhance and boost enterprise.

Objective: is to systematize the methods of performance assessment, research problems in the competitiveness of modern enterprises and identification of effective and methodical approaches to evaluation of the companies. Modern crisis tendencies in the global and national economy adversely affect the competitiveness of enterprises. The competitiveness of enterprises is a set of interrelated elements that aim to support and develop both existing and create new competitive advantages. The competitiveness of the enterprise – the ability to produce and sell their products quickly, cheaply, efficiently, sell it in sufficient quantities, at a high technological level of service.

We can say that the problems and differences of copyright positions on the definition of "competitiveness" are not only the scale of consideration of competitiveness, regional, national or global market (company, industry, country), but characteristic of any component of the competitiveness of enterprises, such as labor competitiveness, production capacity.

There are the basic stages of assessing and improving competitiveness. To assess the competitiveness of enterprises, producing a broad range of products, you can use the disaggregation model, using detailed indicators characterizing each specific group of products. With stages of assessing and improving the competitiveness of enterprises, perhaps to analyze and identify the main problems and weaknesses of the company.

The main indicators for the industry are: product quality, breadth of range, cost per unit, the price of manufactured products, profit margins, profitability, the availability of equity, asset liquidity, creditworthiness and solvency, capacity utilization; human resources; average wages and more. Through SWOT-analysis may identify the strengths and weaknesses of the company and to develop a strategy and tactics in the market, which is needed for comparative evaluation of these parameters and comparing them with those of competitors.

Therefore, a comprehensive approach to solving these problems requires state and interoperability on all levels of competitiveness. To solve these problems, there are ways to enhance the competitiveness of enterprises through which rapidly increase the effectiveness of the company and come to a new level.

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References:


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