

Natalia Tubaltseva, PhD in Economic Sciences, Associate Professor

*Admiral Makarov National University of Shipbuilding
Mykolaiv, Ukraine*

Anatolii Tubaltsev, Associate Professor

*Admiral Makarov National University of Shipbuilding
Mykolaiv, Ukraine*

Daryna Brynza, Student

*Admiral Makarov National University of Shipbuilding
Mykolaiv, Ukraine*

DOI: <https://doi.org/10.30525/978-9934-26-377-4-23>

GUIDELINES FOR IMPROVING THE MANAGEMENT SYSTEM IN A SMALL BUSINESS

During the years of its independence, our country is trying to take a worthy place among other post-socialist states. As reality has shown, this is a very difficult path. The spirit of freedom and impunity in actions turned the heads of both simple performers and managers. Ukraine tried to move from a planned economy to a market economy by trial and error. And this process is negatively affected by periodic changes in the state course of development. As a result, during the thirty years of independence, along with the positive features of the market economy, we also received many problems. Difficult economic relations in the country, lack of a transparent fiscal policy and clear guidelines for development, as well as political instability in society, put the modern Ukrainian leader in a very difficult position.

The complexity of the situation is exacerbated by the refusal of state regulation of product prices, centralized management of the economy and the lack of experience in management activities in the conditions of a global recession. All this presents the heads of small enterprises with a completely new list of strategic guidelines, the solution of which depends on the economic condition of the enterprise, its competitiveness, the possibility of further successful development, which, in turn, forces a more demanding and well-founded approach to the enterprise management process.

Recently, the development of medium-term programs for the country's exit from the economic crisis and the launch of a growth regime has been dramatically intensified in state, scientific and public organizations. One of the key issues in these programs is the strategic

development of small businesses, which is a vital prerequisite for reforming the Ukrainian economy. In the conditions of the crisis and for the post-war recovery, it is necessary to look for a number of new approaches to the organization and management of small businesses.

From the point of view of a systemic approach, a modern enterprise is a socio-technical system that has two components: material and human factors of development. As for the material side of economic development, humanity has been engaged in this direction for two thousand years and periodically determines the ways of production activity by improving management mechanisms. It is possible to increase the efficiency of production not only at the expense of material resources, but also with the help of competent professional management. Management is carried out through management functions. All management functions (forecasting, planning, organization, control, coordination, motivation) are used in small businesses with varying intensity. Some functions are highly demanded, and some are performed at an intuitive level.

Forecasting and strategic planning functions are practically not used in Ukrainian small business, however, increasing economic uncertainty and increased competition make them more and more relevant. Former forecasting methods no longer work: as a result, business owners complain about bad management, weak training of specialists, and force majeure situations. However, the problem most often lies in the lack of a long-term vision of one's company in a year or two, and even more so in a more distant perspective. The fact is that strategic forecasting of the company's development is impossible without taking into account the external environment of a specific industry – it is necessary to focus on the behavior of competitors, the needs of consumers, predict possible changes in the market [1].

There are many unpredictable factors that can have a strong impact on the development of a small business, and not taking them into account means deliberately creating a hopeless situation for yourself. Now, these are military actions and a part of the occupied territories, which disrupted the economic ties between the regions.

Practice shows that for the effectiveness of strategic planning, a preliminary forecast of the results of the intended actions and a careful construction of the sequence of the necessary steps are necessary. The use of strategic planning in the functioning of a small business is expedient to connect with the process of formation and development of the enterprise itself.

A modern characteristic feature of the economic growth of developed countries is the use of intellectual assets as the main means of ensuring competitive advantages in the world market. According to L. Edvinsson, a well-known expert in the field of knowledge economy, the success of an enterprise in the conditions of the modern economy increasingly depends on the ability to accumulate and use unique knowledge. The competitive advantages of the enterprise consist primarily of unique competencies, which are based on unique knowledge [2, p. 176]. According to some estimates, 42% of corporate knowledge is the intelligence of personnel, not recorded on material media. This means that only improving the efficiency of knowledge management within the enterprise will increase productivity, accelerate growth rates, increase profits and strengthen competitive advantages [2, p. 13].

Conclusion. In Ukraine, the low quality of management at all levels is an important problem because it is the root cause of economic problems and complications in the state. In order to function in conditions of economic destabilization and market uncertainty, small enterprises need to look for new management approaches, using their own and foreign experience. The main part of small business management relies on the considered stages of strategic planning unsystematically, episodically, ignoring the need for their use. The use of strategic planning, the description of one's goals and their tracking online will allow to create the most favorable conditions for the growth of the company, its strengthening in the market and the effective distribution of available resources within the organization.

The main resource of Ukraine is a talented people, a large number of universities and good education programs for both general schools and universities. Therefore, it is necessary to preserve and support this strategic resource.

References:

1. Zarynov A. Vazhnost stratehicheskoho planirovaniya v malom y srednem byznese. URL: <https://www.cfin.ru/management/strategy/plan/smb.shtml?printversion> (accessed 24.03.2023).
2. Fedulova L.I. (2007) Suchasni kontseptsii menedzhmentu: navch. posibnyk / Za red, d-ra ekon. nauk, prof. L.I. Fedulovoi. Kyiv: Tsentr uchbovoi literatury, 536 p.