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**RANKING SCORE AS COMPETITIVENESS
 CRITERION OF ENTERPRISE**

The article discusses the choice of a modern and the most important competitiveness criterion – the rating that fully describes enterprise performance in different fields of activity. The impact factors on competitiveness and the methods of their evaluation are specified.

Keywords: competitiveness, criterion, indicator, factor, method, ranking score.

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**РЕЙТИНГОВА ОЦІНКА ЯК КРИТЕРІЙ
 КОНКУРЕНТОСПРОМОЖНОСТІ ПІДПРИЄМСТВА**

У статті обгрунтовано вибір сучасного та найважливішого критерію конкурентоспроможності – рейтингу, що всебічно демонструє результати роботи підприємств різних сфер діяльності. Розглянуто чинники впливу на конкурентоспроможність та методи її оцінювання.

Ключові слова: конкурентоспроможність, критерій, показник, чинник, метод, рейтингова оцінка.

Табл. 2. Рис. 2. Літ. 18.

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**РЕЙТИНГОВАЯ ОЦЕНКА КАК КРИТЕРИЙ
 КОНКУРЕНТОСПОСОБНОСТИ ПРЕДПРИЯТИЯ**

В статье обоснован выбор современного и важнейшего критерия конкурентоспособности – рейтинга, который всесторонне характеризует результаты работы предприятий различных сфер деятельности. Рассмотрены факторы влияния на конкурентоспособность и методы ее оценки.

Ключевые слова: конкурентоспособность, критерий, показатель, фактор, метод, рейтинговая оценка.

Problem setting. Competitiveness has become the key tool of the contemporary market, providing effective and dynamic development of enterprises and enhancing the struggle for existence due to the factor that company's success depends on many factors, including image building and the company's rating. It especially refers to the service sector. Therefore, there is a need in research related to the ranking score as a criterion, properties of which help us evaluate the competitive advantages of an enterprise.

Last research and publications analysis. National and foreign scholars investigated a number of criteria and indicators to evaluate the competitive environment of enterprises. Among them are V.P. Eferina and V.V. Motyna (1993), M. Kastens (1976), A.M. Krotkov and Y.A. Eleneva (2001), O.E. Kuzmina et al. (2011), A.A. Leonova and T.M. Leonova (2012), I.S. Meteliov (2011), R.B. Nozdreva and L.I. Tsygichko (1991), N. Paley (1989), G.I. Rzaev (2009) and others. In particular, they examined new approaches to the classification of impact factors of enterprise and production competitiveness, use different methods and models of their evaluation.

Unsolved issues. Scientists and experts, having studied the issue of competitiveness, paid great attention to the problems of competitive advantages and the directions of competitiveness evaluation. However, in spite of considerable contribution to

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the research on the choice of indicators and methods of competitiveness evaluation, the above issue needs further development.

The research objective is the building up a framework for the ranking score and competitiveness assessment of an enterprise.

Key research findings. Competitiveness is the ability of a company to get or survive in competition. In the contemporary terminology instead of firm's competitiveness the term "firm's rating" (relative prestige) is often used (Leonov et al., 2012: 10).

Competitiveness shows the advantage rate in comparison with enterprises-competitors by the estimated figures of activity. It can be evaluated by comparing competitive positions of enterprises, where competitiveness indicators can form a rating as the comparative analysis of competitive objects.

Competitiveness has a lot of economic characteristics. It covers good's characteristics, caused by manufacturing, factors, determining the economic conditions of enterprise and production distribution as a whole. The level of enterprise's competitiveness is a mirror, where we can see the work of almost all enterprise's services (Kharlamova and Vertelieva, 2013).

Competitiveness depends on many factors. There are many approaches to their classification; however, we argue that the most rational is the approach, suggested by O.E. Rossikhina (2010: 186). All factors divided into 3 groups: 1) technical and economic; 2) commercial; 3) regulatory. Simultaneously, it is reasonable to correct and expand the factors in each group (Figure 1).

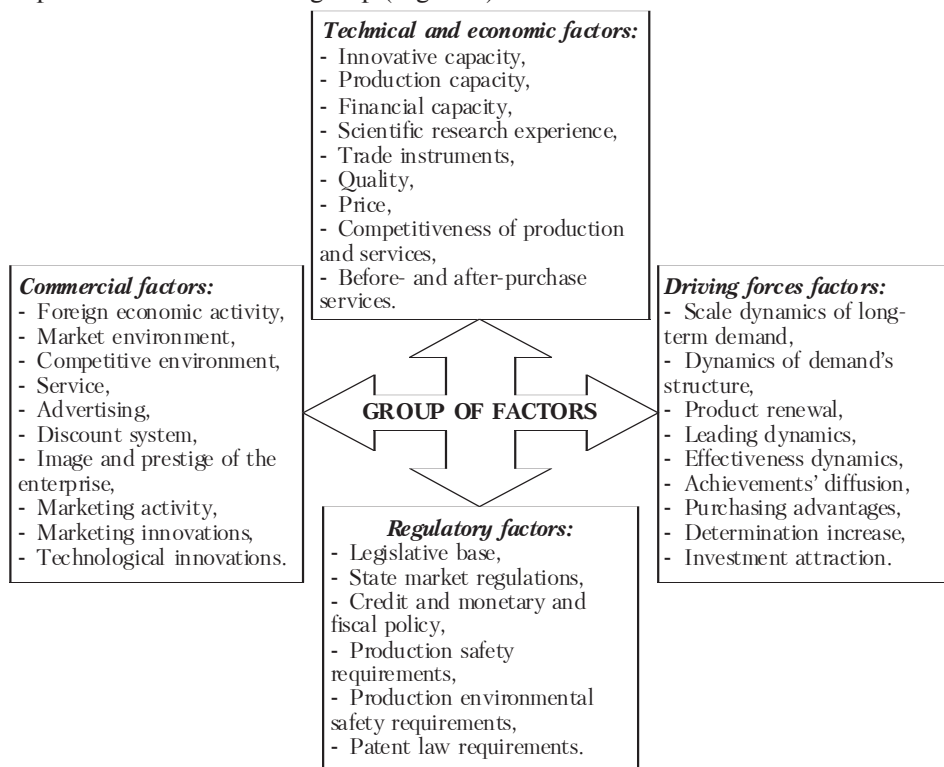


Figure 1. Main factors of enterprise's competitiveness, developed by the authors

Furthermore, the foreign scholars suggested the following factors of firm's competitiveness: scale dynamics of the long-term demand; dynamics in the demand's structure; product renewal; technological innovations; marketing innovations; leading dynamics; achievements' diffusion; purchasing advantages; state regulations of the market; determination increase (Metelev, 2011).

Thus, in our opinion, the experience of scientific researches and instruments of labor should complement the group of technical and economic factors. Whereas the group of commercial factors should be added by such factors as discount system, marketing activity and marketing innovations, technical innovations, foreign economic activity, the group of regulatory factors can be extended with the impact of legislative base, state market regulations, credit and monetary and fiscal policy on enterprise's competitiveness. We combined the main competitiveness' driving forces, distinguished as competitiveness factors, into the fourth group – the driving forces factors.

The criteria of enterprise attractiveness are the integrated factors that form the conceptual framework for further competitiveness determination and its level of production or services. Impact factors are reflected in relevant indices (indicators), enterprise competitiveness is analyzed and its overall evaluation is given by their system.

We evaluated the enterprise competitiveness using special tools, represented in the methods of evaluation. In practice their use is determined by financial and economic activities of enterprise and the objectives of this evaluation.

Proper performance assessment depends on the evaluation method of enterprise competitiveness. In Table 1 the classification of evaluation methods is represented with their main features.

These methods differ from each other by the base of criteria and indices formation, the level of computer database use, the algorithms of obtaining standard indices (indicators) by competitiveness evaluation. This is a complicated methodological issue.

Thus, competitiveness depends on many factors and can be evaluated by the set of criteria. Criterion is a way of judgment or a model. Moreover, criterion of enterprise competitiveness has both qualitative and quantitative definitions.

The term "criterion" is directly related to the term "indicator", which is understood as a general feature of an object or a process.

The single-step "criterion" is related to one of the simple characteristics defining the competitiveness. The example is a sale price. Complex criterion of competitiveness is related to the whole characteristics defining the competitiveness. Types of complex criterion are a group and the generalized criteria. Group criterion of competitiveness is a complex one, related to the group of characteristics defining the competitiveness on either side. The examples of group criterion are the quality level, image, consumption price, goods' informativity. Some criteria can be single or group. Generalized criterion of competitiveness is a complex one; with its help we can make a decision about results' evaluation of production competitiveness. The example is the level of production competitiveness, good's rating (Metelev, 2011).

High technical level, novelty, research intensity, low expenses are considered as the main criteria of competitiveness in foreign practice.

To analyze the decrease of a particular competitiveness criteria and factors determination, increasing the competitiveness is the main point in the activity of enterprises-producers and enterprises-sellers.

Table 1. Classification of evaluation methods of enterprise competitiveness

#	Classification feature	Evaluation method
1.	By the representation form for results evaluation	- Graphical - Matrix - Tabulated - Calculated - Mathematical - Logistical
2.	By the comparative base	- Comparative methods with competitors - Comparative methods with a model
3.	By the nature of evaluation	- Dynamic - Static
4.	By the software	- Methods of quantitative information - Methods of qualitative information - Combined
5.	By the level of all components' involvement	- Elemental - Part - Complex
6.	By the depth of evaluation	- Methods of express evaluation - Methods of basic evaluation
7.	By the subjects of evaluation	- Methods of self-diagnosis - Methods of external diagnosis
8.	By the base of evaluation	- Methods of evaluation from achieved - Methods of capability evaluation
9.	By specification of the results'	- multicomponent - integral single-component
10.	By the way of competitiveness definition	- analytical - parametric - expert - statistic - combined
11.	According to the way of receiving information	- metrical - registered - calculative - experimental
12.	According to the source of receiving information:	- traditional - expert - organoleptic - social
13.	By an opportunity to develop management decisions	- single-step - strategic
14.	By the way of evaluation	- indicated - matrix

Developed by (Kuzmin et. al., 2011; Nazirova, 2011; Pozhuev, 2010).

Figure 2 represents the contemporary approaches to criteria definition. They show that directions and criteria of competitiveness evaluation cover different research aspects.

It is important to mention that in economic literature the quantity of suggested indicators of competitiveness evaluation is not fixed, it differs dramatically. For instance, different authors suggested 13, 21–22, and more than 30 indicators by particular criteria. A lot of authors don't give an accurate list of indicators; however, they mention basic features, influenced by the options of possible indices combinations (Rzaev, 2009: 78).

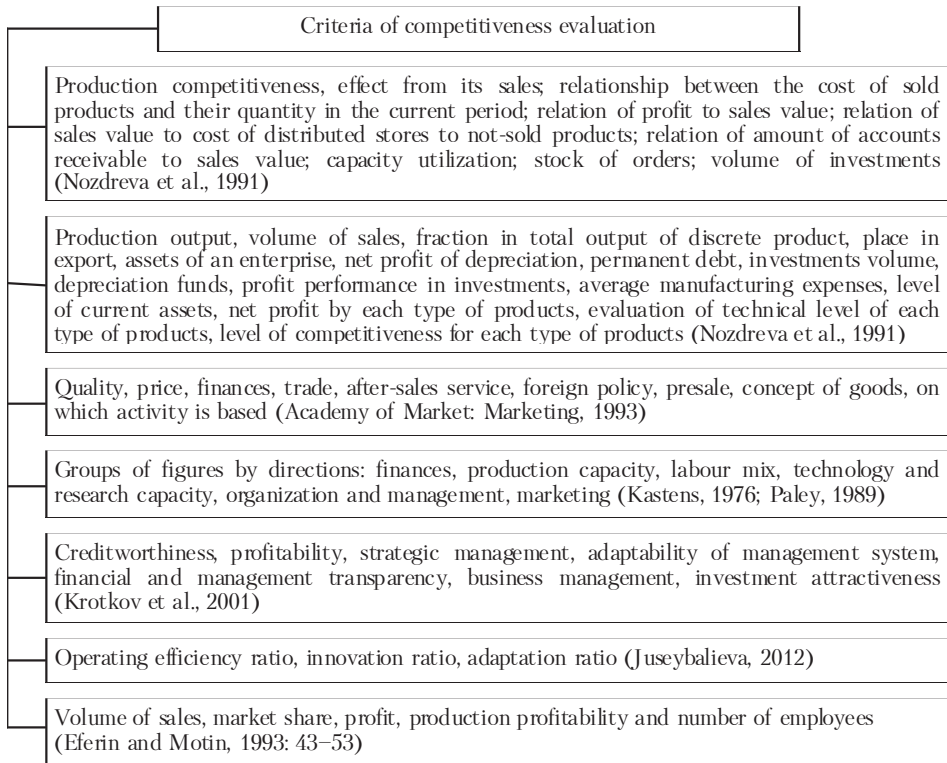


Figure 2. Evaluation criteria for enterprise competitiveness, authors' compilation

It is reasonable to develop a unique criterion – the rating index. Ranking score meets basic standards of level evaluation of enterprise competitiveness. It is based on the complex approach to evaluation of financial and economic enterprise activity, made on the basis of financial reports, taking into account actual achievements of all participants of evaluation.

Ranking scores serve many purposes: they give information to users about the enterprise situation, encourage competition among them; provide reasons for financing; help to classify enterprises in the view of "creditworthiness – untrustworthiness" or "investment attractive – investment unattractive" etc. In Table 2 the examples of the meanings of "ranking score" are shown.

Annual monitoring of enterprise competitiveness by relevant institutions, international recognition of these ratings and market reflection on the research results confirm that ranking score is an indicator of economic state of an enterprise within the global competitive environment and a guide to the progress, that with the help of facts, indices and conclusions leads to choosing the right direction.

Conclusions. Therefore, we can look at the problem of competitiveness in a new light. Ranking scores make it possible to compare objects among each other and answer the question: who is a leader. With their help we can successfully analyze own position as compared to competitor's by the features that are really important for customers (consumers) or producers. Their publicity has some ideological and PR nature. Moreover, ranking score can be a powerful criterion for many managerial decisions.

Table 2. Meaning of ranking score for different information users during enterprise activity

<i>Categories of information users</i>	<i>Meaning of ranking score</i>
1. Owners (stockholders)	Evaluation of business efficiency and riskiness, selected strategy; definition of promising directions for capital investment; guaranties on obtaining planned results (Udovichenko, 2012); starting point for further actions
2. Managers	It is the key point for comparing with business partners and competitors in order to have a position in the market and develop optimal management decisions; active component of enterprise's publicity campaign and the key factor of its image building; provides options for application of new highly qualified personnel (Logvinenko, 2009)
3. Producers	Evaluation of resource efficiency (Udovichenko, 2012)
4. Consumers	Evaluation of quality and consumer product value (Udovichenko, 2012)
5. Suppliers	To make a decision on rationality of short- and long-term cooperation with a company (Udovichenko, 2012); effective way for business development
6. Creditors	To explain rationality of giving a credit (Udovichenko, 2012)
7. Investors	To estimate probability of loan repayment in the process of investment portfolio formation (Udovichenko, 2012)
8. Insurance companies	To estimate probability of loss occurrence (Udovichenko, 2012)
9. Employees	Shows the real state and directions of enterprise development, points at rationality of cooperation; provides employee's secondary needs: safety, reliability, opportunity for self-expression and improvement (Udovichenko, 2012)
10. Other counteragents	To estimate practically partnership's reliability and "profitability" (Udovichenko, 2012)

* developed by (Logvinenko, 2009: 229; Udovichenko, 2012: 186).

Thus, many indicators, included in the competitiveness evaluation procedure, can form the rating index. And that is more convenient and clear for an average customer or consumer, who cannot estimate the current state of a particular enterprise or moreover make its forecast for a long term.

This easy tool answers many questions and acts as a reflection of real state of things, whereas many methods of competitiveness evaluation missed it (Kravchuk, 2011: 110).

Ranking score as a competitiveness criterion and scientifically based figures of enterprise's success at the market is a constituent part of all PR-technologies, helps enterprises to focus at the market, choose reliable partners, control competitors' positions and build image in relations with publicity and state administration bodies.

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