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## PROBLEMS OF IMPLEMENTATION OF STRATEGIC MANAGEMENT AT UKRAINIAN ENTERPRISES

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Today in Ukraine economic and political crisis are becoming more dangerous forms, spreading to monetary, fiscal, social areas, steadily worsening social attitude and expectations of the market. Amid buckling economic development of Ukraine deepens asymmetry of economic and social development programs. Market and economic transformation conditions, modern management enterprises indicated in the needs of solving fundamentally new problems, based on the search for adequate methods and ways to achieve and maintain a competitive position, develop strategies and tactics to ensure a successful long-term success of the company, the search for adequate methods and ways to manage, especially, intangible resources, the use of business practices of strategic management tools [1].

In modern terms the economic success of the company depends on how managers are concerned about the strategic future of the business. Given the pace with which the environment is changing and growing amount of information, strategic management is the only way to reduce the uncertainty of the company. With his help it is possible to predict future challenges and opportunities to create long-term development plan by which problems will be solved, and the possibility of use the most optimal way. Besides using strategic management and planning, the company becomes more flexible, as will be more prepared for the changes in the environment. Thereby, one of the main measures to ensure competitiveness in the modern business environment is the use of modern management approaches based on the principles of strategic management.

### Analysis of recent researches and publications

A significant contribution to the development of theoretical and practical principles of strategic management was made by such leading foreign and national scientists as I. Ansoff, A. Tompson, H. Mintzberg, H.I. Kindratska, V.D. Nemtsov, S.V. Oborska, L.E. Dovhan, H.V. Osovskaya, Z.E. Shershneva and many others. It should be noted that at present the relevance of this research area is even more important due priority problems and sustainable development of the enterprise in difficult current economic conditions.

*Продиус О.І., Богословов В.Б. Проблеми впровадження стратегічного управління на українських підприємствах.*

Розглянуто теоретичні аспекти та основні тенденції становлення стратегічного управління. Проведена порівняльна характеристика стратегічного управління на вітчизняних і зарубіжних підприємствах. Досліджено проблеми та об'єктивні причини впровадження стратегічного управління в практику українських підприємств. Запропоновано шляхи підвищення ефективності стратегічного управління в господарській діяльності підприємств в умовах кризи.

*Ключові слова:* стратегічне управління, підприємство, впровадження, стратегічне планування, аналіз, зовнішнє середовище, бенчмаркінг

*Продиус О.И., Богословов В.Б. Проблемы внедрения стратегического управления на украинских предприятиях.*

Рассмотрены теоретические аспекты и основные тенденции становления стратегического управления. Проведена сравнительная характеристика стратегического управления на отечественных и зарубежных предприятиях. Исследованы проблемы и объективные причины внедрения стратегического управления в практику украинских предприятий. Предложены пути повышения эффективности стратегического управления в хозяйственной деятельности предприятий в условиях кризиса.

*Ключевые слова:* стратегическое управление, предприятие, внедрение, стратегическое планирование, анализ, внешняя среда, бенчмаркинг

*Prodius O.I., Bogoslovov V.B. Problems of implementation of strategic management at Ukrainian enterprises.*

The theoretical aspects and the main trends in the formation of strategic management were observed. Comparative characteristics of strategic management on domestic and foreign enterprises were described. Investigated problems and objective reasons for the implementation of strategic management in the practice of Ukrainian enterprises were investigated. The ways to improve the effectiveness of strategic management in business enterprises in the conditions of crisis were suggested.

*Keywords:* strategic management, enterprise integration, strategic planning, analysis, external environment, benchmarking.

*The aim of this article* is to identify the main problems and find ways of implementing effective strategic management at the Ukrainian enterprises.

### The main part

Transformation of market and economic conditions, modern management enterprises indicated the need to address fundamentally new problems, based on the search for adequate methods and ways to achieve and maintain a competitive position, develop strategies and tactics to ensure a successful long-term success of the company, the search for adequate methods and ways to manage, especially intangible resource use in business practice of strategic management tools. In modern terms the economic success of the company depends on how managers are worried about the future of their strategic business [1; 3].

In 1971 was an expanded conference on strategic management in Pittsburgh (USA) which summarized the development of a strategic approach to the management of companies and the main directions of strategic management. Since then, theoretical research and practical implementation of strategic management continuously developing and conducted worldwide [2].

There are many definitions of strategic management. But the realities of Ukrainian business, in our opinion, the most accurate definition was given by Professor A.M. Tishchenko, "Strategic management – is a management organization that relies on human capital as its foundation directs production activities to the demands of consumers, provides flexible regulation and timely changes in the organization, adequate environmental impact and allow to achieve competitive advantage that ultimately account contributes to the survival of the organization and achieve their goals in the long run" [3].

The main advantages of strategic planning are: communication of current decisions on future results, organized thinking solutions predicting their consequences; focus on the search for alternatives to achieve the goals that the permissible objectives within defined goals and existing restrictions; identify opportunities and threats, strengths and weaknesses of the company, their consideration in setting goals and formulating strategies to make an impact on these aspects of today; conscious of the future and preparing for the future; division of responsibility not only between activities, but also between current and future activity.

Most western and eastern firms use strategic planning to change themselves, get out of bad situations that formed outside and inside the company [4]. Main assumptions change strategic planning include the need exposure to changes in the conditions of operation; need to consolidate various business activities in the development of decentralization and diversification; internationalization of business; availability of global information networks to explore the strengths and weaknesses of the company, the environment and the

conditions of competition; strengthen innovation processes, generation and rapid development of enterprises of new ideas; the need to introduce high management culture focused on preventing resistance to change and stimulating enterprise development.

In Ukraine analytics think that strategic management mechanism is in its infancy. The main problems of implementation of strategic management at the Ukrainian enterprises are:

- lack of understanding of the nature and value of the leaders of strategic management for long-term development of the company;
- shortcomings in the management of personnel which adversely affects the implementation of strategic plans;
- Ukrainian enterprises limited access to information resources;
- lack of clear rules for assessment of strategic objectives at all levels of organizational structure;
- unrealistic development strategy; lack of relevant legislation and codes of corporate governance;
- low professional level of top management and lack of responsibility for quality control [5-7].

It should be noted that today the poor quality of the strategic management of most domestic enterprises has deteriorated even further and appears as follows:

- do not have a clear in defining the goals, mission and values of the organization;
- inconsistency in the units; many unnecessary documentation, bureaucratic management process;
- inefficient use of available resources;
- excessive or weakened control;
- duplication in decision-making;
- lack of consistency in the management team;
- lack of a strong leader who could unite and lead the management team;
- differences in system priorities and core values among the members of the management team;
- poor awareness of members of the management team on key issues related to the activities of the company;
- differences in assessments of the situation and ways out of the crisis;
- differences in interests among members of the management team;
- lack of clear strategy management actions;
- differences in understanding the ultimate goal between team members;
- lack of a common program of action; lack of objective information;
- lack of information on the state of the company and the market;
- inability of most managers to abandon the usual management model.

Thus, we can conclude that the leaders of Ukrainian enterprises either do not perceive the strategic management as a means of improving the competitiveness and find that it does not cost feasible or perceive it as unnecessary problem. In a best way,

enterprise are developing only a few elements of the strategy, because the lack of a coherent strategy leads to the fact that, even with modern technology and innovation capacity, the company may suffer losses, which adversely affects the activity of the company and its image.

To determine how to improve the practice of strategic management and increase its efficiency in domestic enterprises appropriate to consider mechanisms of strategic management in the United States and Japan (table 1).

Table 1. Differences of strategic management in enterprises in the US and Japan

Japan	USA
Long-term policy of the company	Short-term policy of the company
Focusing on human resources	Focusing on financial resources
Long-term program of saving resources	The most effective use of resources
Global objective is improving the "old" company	Global objective is creating a "new" better company
Horizontal management style	Vertical management style
Specific objectives and methods of implementation	General instructions and purpose description
Strong connections inside the company	Maximum independent of structural units
Powerful corporate spirit that connects all workers	Corporate culture is mostly declarative
Constant workers movements, raising them to a higher social level	Lack of staff rotation within the company, focus on the leaders selection by advice
Worldwide discussions encourage among managers at all levels of management in finding the best possible solution	Departments heads and senior managers have the rights in discussions on strategic decision
Leaders encourage employees materially to spend social and cultural activities of the company in national colors	Leaders take part in leisure of workers rarely

Despite the fact that the analyzing management system have fundamental differences, most of the enterprises of this countries lead an efficient operation and have a high level of competitiveness, so answer the requirements of research to improve the effectiveness of strategic management in domestic enterprises. Analyzing the differences in the strategic

management of USA and Japan, we can conclude that the Ukrainian enterprises management style is more like the American style. Therefore, let's make more detailed characteristics comparative analysis of strategic management at the Ukrainian and American companies (table 2).

Table 2. Comparative characteristics of strategic management in the Ukraine and USA

Strategic management signs	Enterprises	
	USA	Ukraine
Dedication company	present	partly present
Flexible organizational structure	partly present	missing
Unity strategic plans and programs	present	missing
Creating the necessary conditions for the strategy implementation	present	partly present
Leaders competence	present	partly present
Access to information resources	present	missing
The control of strategy implementation	present	missing
Develop realistic strategies based on business opportunities	present	partly present
Corporate Culture	present	missing
Acceptance and understanding of the strategy by all team members	present	partly present
Modern methods of strategic analysis	present	partly present

Table researches make it possible to see clearly the conceptual implementation problems of strategic management at the Ukrainian enterprises in today's conditions. For more information they can be separated in the following that require urgent solutions:

- misunderstanding the nature and significance of the heads of strategic management and shortcomings in the management subsystem;
- insufficient access to information resources;
- no control at all levels of the organizational structure of the company;
- in enterprises are often designed unrealistic strategy;
- low qualified management personnel;
- the head of implementation process of new technology become not the head of the company;
- not allocated for staff training on modern technologies implementation of strategic planning;
- no ability to evaluate the results.

Thus, the successful solution of this problem, there are two options for compatibility strategic framework and organization management. The first option is when a strategic structure superimposed on existing organizational structure. The strategic function in this situation will be performed by existing organizational structures. The second option is the creation the office of strategic management. According to the experience of foreign companies, creating organizational units for strategic management is the basis of strategic management. For example, there are specialized units in the USA that operate in competitive market segments, which are called strategic management centers (SMC). The SMC duties includes: choice of area, development of competitive products and their range, and the development of marketing policy.

Once managers have developed a range of products SMC, responsibility for implementing moves to the appropriate department. In addition to the organizational unit whose task will address all strategic issues need centralized management of enterprise strategy and coordination of strategic objectives at all levels of government.

Creation of strategic management will allow Ukrainian enterprises substantially improve their competitiveness and become more attractive to investors. It should be noted that the introduction of strategic management allows formulating global objectives of the company, to determine the position of top and middle level, quickly adapt to the changing market environment and thus enhance the competitiveness of enterprises [8-10].

The strategic management is cyclical in nature and involves the following steps:

- system analysis perspectives, threats and opportunities facing the company;
- the development of future scenarios, analyze the impact of environmental factors and the likelihood of their occurrence and identification of the major goals, objectives tree formation, comparison

- purposes, selection problems are solved by strategic management;
- development of alternative strategies to achieve the goals necessary planning resources;
- designing systems implementation and control of strategic plans.

One of the main project results is to develop a strategic plan development strategy. A key element of the strategy is a set of activities that focused on maximum use of competitive advantage. Qualitative and quantitative targets corporate strategy is the basis for development of marketing, investment, financial, industrial, organizational strategy and human resource strategies.

Necessary mechanisms of modern strategic management in conditions of increasing variability of external and internal environment should be considered strategic analysis. Strategic analysis allows creating a basis for the strategic management of the company, by providing information in policy formulation mission, goals, developing and implementing strategies. Effective use of a comprehensive strategic analysis in enterprise management system allows you to create an information base for strategic decisions based on timely evaluation of the external and internal environment and adequate response to changes while making appropriate adjustments to the strategy development, implemented at this stage of the company.

Strategic planning at the enterprise in modern conditions is a permanent process that is carried out in a changing environment requires finding more effective ways of implementing the strategy, it is appropriate to supplement a complex of different methods of analysis, such as SWOT-analysis, benchmarking.

It should be noted that one of the most popular strategic management tool that lets you build strategic balance and analyze possible strategies of enterprise behavior in the market environment is SWOT-analysis. The main objective of the SWOT-analysis is to identify and provide the most optimal combination of internal and external business opportunities situation, ordering information about the internal and external factors determining competitive advantage and forming strategic priorities. SWOT-analysis doesn't provide definitive information for management decisions, but only helps to form a common strategy for companies with regard to their adaptation to the external and internal environment.

Benchmarking is a modern technique for identifying, evaluating and adapting successful business model that provides a unique market advantage leading companies for the needs of the customer in real market conditions. Although benchmarking projects that can be completed quickly, tangible results can become visible later, depending on the scale and nature of changes that cause it. Benchmarking of individual processes often brings faster results than strategic benchmarking, leading to large-scale changes.

The most extensive and reliable results arise when benchmarking makes the organization a culture of continuous improvement and a willingness to learn from others.

Planning process of benchmarking, the company has engaged a dedicated team that will plan and develop common requirements for future improvement. The main stages of the process of benchmarking in an industrial plant expedient to form as follows:

- leaders form a working group to implement benchmarking, which should identify strengths and weaknesses of the company, to determine the research subject, select the type of approach and benchmarking;
- group selects business and the metrics for comparison, namely the purpose of the study and the criteria that will be used to assess success; identifies potential partners; developing a project plan to be agreed with the company;
- group engaged in the research enterprise group, watching them work at least 2 years, collects the necessary additional information;
- comprehensive analysis and processing of information is carried out by specialists using computer programs;
- after the conclusion of processing information regarding the advisability of change, improvements and adapting them to the needs of

the enterprise. Practical implementation is carried out gradually, with the obligatory consultation with the heads of all business units and support for all workers [11].

- thus, the implementation of benchmarking as a mechanism of strategic management gives company the opportunity to move to a system of continuous improvement in line with the rapidly changing environmental conditions that will maintain a high level of competitiveness even in the current difficult economic conditions.

### Conclusions

Based on the study of the problem, it can be concluded that strategic management in a global competition in the Ukrainian enterprises can be effective only if the establishment of close and coordinated relationship between strategic management and organizational structures.

Such control is possible only if every employee of the company will clearly understand their job and their role in achieving the strategic objectives of the enterprise. So today, in the present economic crisis conditions, when the main goal of most Ukrainian companies are adapting to the dynamic conditions of increased external and internal environment of strategic management can be the most important part of the organizational management.

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