MINISTRY OF EDUCATION AND SCIENCE OF UKRAINE
KYIV NATIONAL UNIVERSITY
CONSTRUCTION AND ARCHITECTURE

Faculty of Construction

Department of construction management

Educational qualification level **Master's degree**
Discipline **07 "Management and administration"**
Specialty **073 "Management"**
Specialization **Management of organizations and administration**

EXPLANATORY NOTE

to obtain a master's degree
on the subject:

«Transformation of the management cycle and operational system of construction enterprises in conditions of strategic shifts»

Kyiv 2024

KYIV NATIONAL UNIVERSITY
CONSTRUCTION AND ARCHITECTURE

Department of construction management

I approve
Head of the department
Doctor of Economics, Prof. Ryzhakov.
"__" _____2024

EXPLANATORY NOTE

to the attestation graduation work
to obtain a master's degree
on the subject:

«Transformation of the management cycle and operational system of construction enterprises in conditions of strategic shifts»

Performed by:
student _____ Zhang Lulu _____
of the Man-23 group

Discipline 07 "Management and administration"
Specialty 073"Management"
Specialization Management of organizations and administration

Head: Associate Professor, Candidate of Technical Sciences
Gorbach M.V.

Reviewer _____

Kyiv 2024

MINISTRY OF EDUCATION AND SCIENCE OF UKRAINE

KYIV NATIONAL UNIVERSITY OF CONSTRUCTION AND ARCHITECTURE

Constructionalfaculty
Department of construction management
Educational and qualification level "Master"
Specialty 073 "Management"

"I APPROVE"

Dean of the faculty
Ph.D., Professor G.M. Ivanchenko

"____"_____2024

T A S K

For the attestation graduation work of the student

Zhang Lulu

The topic of the work: " **Transformation of the management cycle and operational system of construction enterprises in conditions of strategic shifts**" and the head of the attestation final work of the Associate Professor, Candidate of Technical Sciences Gorbach M.V. confirmed by the order of KNUBA from "___" _____2024 No.____

2. Deadline for submission of work by the student_____

3. Initial data for work:

Scientific works of domestic and foreign scientists on issues related to modern models and approaches of strategic management of a construction enterprise in wartime conditions; scientific and methodological principles of strategic management of a construction enterprise in wartime conditions; economic and management characteristics of the project in residential construction

4. The content of the settlement and explanatory note - a list of issues that need to be worked out - (consisting of 3 sections):

Chapter 1 –
Chapter 2 –
Chapter 3-

List of graphic material: 15-17 slides *with a display of research on all sections of the explanatory note to AVR.*

Consultants of sections of AVR

Section	Surname, initials and position of the consultant	Signature, date	
		task published	task accepted
Chapter 1	Prof. Chuprina Yu.A.		
Section 2	Docent Prykhodko D.O.		
Section 3	Docent M.V. Horbach		
conclusions, literature, graphic part	Prof. Chuprina Yu.A.		

7. CALENDAR PLAN

No s/p	The name of the stages of the certification exam robots (AVR)	Deadlines Execution of stages of AVR	Note
1	The student's choice of the AVR topic, submission of an application to the department and coordination with the academic supervisor		
2	Systematization of materials and preparation of initial data for AVR		
3	Approval of the content (plan) of the AVR, preparation of an individual task		
4	Preparation of introduction and 1 section of AVR		
5	Preparation of the II section of AVR		
6	Preparation of Section III of the AVR, conclusions and a list of used sources		
7	Submission of the completed AVR by the student to the academic supervisor		
8	Completion of qualifying graduation papers to check for the absence of textual borrowings		
9	Completion of the work, decision-making by the department on the admission of AVR to the defense at AEK		
10	Preparation of the presentation (development of options for presenting the content of the research carried out in the AVR on the sheets of the graphic part) and reports for the defense of the AVR. Agreement with the scientific supervisor.		
11	Final design and review of the work		
12	Preliminary defense of AVR at the department and its approval by the head of the department		
13	Submission of AVR to AEK		
14	Defense of AVR at AEK and awarding graduates with a master's degree		

8. Issue date of assignment "___"_____2024.

Student _____/ ___ Zhang Lulu_____/

Head of work _____/ Gorbach M.V./

Head of the Department of Management in Construction _____/ Ryzhakova H.M./

<table>
<tr><td colspan="2">SUMMARY (summary)
to the student's attestation graduation thesis:</td><td colspan="3">Simonenko</td></tr>
<tr><td>ZVO</td><td colspan="4">Kyiv National University of Construction and Architecture</td></tr>
<tr><td>Topic</td><td colspan="4">"Transformation of the management cycle and operational system of construction enterprises in conditions of strategic shifts "</td></tr>
<tr><td>Educational level</td><td colspan="4">MASTER's degree in the educational and professional study program</td></tr>
<tr><td>Faculty</td><td colspan="4">Constructional</td></tr>
<tr><td>Chair</td><td colspan="4">Management in construction</td></tr>
<tr><td>Specialty</td><td colspan="4">Management</td></tr>
<tr><td>Specialization</td><td colspan="4">Management of organizations and administration, Ministry of Education</td></tr>
<tr><td>Head</td><td colspan="4">Associate Professor, Candidate of Technical Sciences Gorbach M.V.</td></tr>
<tr><td rowspan="2">Scope of work:</td><td>explanatory note, p.</td><td colspan="2">sections</td><td>Visual and graphic part (A4 format sheets)</td></tr>
<tr><td>142 (with literature and appendices)</td><td colspan="2">3</td><td>24</td></tr>
<tr><td>Chapter 1.</td><td colspan="4">On the basis of the study of literary sources of domestic and foreign scientists, an idea was formed regarding the definition of the monitoring of the enterprise's activity in the strategic management system as a system for ensuring effective strategic management of the enterprise, which takes into account and comprehensively integrates: the process of continuous monitoring of the production activity of construction enterprises from the standpoint of systemicity. The monitoring of the enterprise's activity in the strategic management system should comprehensively integrate the process of continuous monitoring of the production activity of construction enterprises from the standpoint of systemicity; research of phenomena and events related to production activity; formation of management information base; control over the course and nature of implementation of strategic plans; assessment of changes in the company's activity based on a system of criteria (benchmarks); contributes to the improvement of the management decision support system in the implementation of the enterprise's economic policy.</td></tr>
<tr><td>Section 2.</td><td colspan="4">In the second chapter, methodical approaches to assessing the quality, rationality, and effectiveness of the economic strategy of enterprises are elaborated; the monitoring formation system has been expanded; the method of organizing the movement of economic information at construction enterprises is systematized. It has been found that the toolkit for assessing the economic potential of construction enterprises is the system of forming monitoring, which makes it possible to systematize information resources and consolidate them depending on the goals and tasks of monitoring the enterprise's activity in the strategic management system. The necessity of applying the development principle has been proven. According to the stated principle, changes in the enterprise should not complicate the monitoring of its activity. It has been established that deterministic and stochastic information connections, in the contour of strategic management, are not in equilibrium, but in a state of evolutionary dynamics. It is proved that stochastic connections are a source of new, unpredictable information that comes through channels from the external environment.</td></tr>
</table>

Section 3.	The model of the enterprise activity monitoring system is applied to the needs of the construction enterprise and the project it implements as a complex function: organizational (determination of the composition of respondents, selection of collection methods, indicator system, establishment of the evaluation period of the object, etc.); information-diagnostic (formation of the information base necessary for accurate diagnosis of the state and dynamics of object changes); control (detection deviation of parameters object fromplanned,normative). Analytical monitoring of the life cycle of the project and the state of competitiveness of the general contractor of the project was carried out, using modern analytical tools.
Conclusions on the work:	An effective tool for ensuring the desired results of the implementation of the selected competitive strategy for construction enterprises is the formation of a balanced business portfolio. The proposed and tested algorithm for balancing the business portfolio of the enterprise in accordance with the determined competitive strategy based on the criterion of marginal profit, proposed and tested on the materials of the studied construction enterprise, allows to optimize the product policy of the firm, its production program, to approach the use of limited resources in a more justified way in order to ensure the target market positions and contributes to the increase of the overall the level of profitability of the enterprise.
Key words*: scientific and methodological aspects of strategic management, strategic management of the construction enterprise, monitoring of the activity of the construction enterprise, the influence of wartime on the strategy of the enterprise;* **Keywords:** scientific and methodological aspects of strategic management, strategic management of a construction company, monitoring the activities of a construction company, the impact of wartime on the company's strategy	

Compiler: _____ /_____/

Head: _____/___ Gorbach M.V.**_____/**

"_____" _____2024

INTRODUCTION

Relevance of the topic. In the modern conditions of market relations, the priority direction for every domestic enterprise, first of all, is to ensure an increase in the level of its competitiveness and its effective management. Adequate competitiveness is acquired by a country that has effectively functioning and competitive business entities that are able to quickly adapt to changes in the intensively changing external environment, make effective management decisions and shape their activities in accordance with the strategy of their own development.

Taking into account the influence of globalization processes, in order to increase and ensure the level of competitiveness of domestic industrial enterprises, it is necessary, in our opinion, to find methods of protection of domestic producers that contribute to the preservation of the competitiveness and efficiency of enterprises, as well as the introduction of innovations in all spheres of their activity, the creation and promotion of environmentally safe and high-quality products. This especially applies to food industry enterprises, as one of the most important branches of the Ukrainian economy, the development and increase of competitiveness of which, in our opinion, should become a priority task and requires state support and regulation. The experience of many foreign developing countries shows that the key to the fulfillment of the task may be the development of enterprises in the small business sector, as the most promising for development and mobile in market conditions link of the country's economy. It is the small business enterprises of the food industry, under favorable operating conditions, that are able to ensure an increase in the level of competitiveness of the country and ensure an improvement in the standard of living of its population, contribute to the creation of additional jobs and business development. The development of small food industry enterprises, in our opinion, is impossible without improvement and introduction of effective reforms and broad support from the state. Therefore, the above needs to be studied in its essence

conceptual and categorical apparatus "competitiveness" and its classification, analysis of the external environment and internal structure under which enterprises function, which leads to the search for certain reserves and finding methods for ensuring competitiveness enterprises, management competitiveness on them, obtaining protection and state support for domestic enterprises in the food industry, as well as effective regulation of such processes.

SECTION 1
THEORETICAL ASPECTS OF ENSURING THE COMPETITIVENESS OF SMALL BUSINESS ENTERPRISES

1.1. A study of approaches to the definition of the conceptual and categorical apparatus "competitiveness"

The process of globalization and integration leads to rapid changes in the economic sphere of the country: liberalization of trade, open domestic market of the country and intensifying competition on it, requires state synchronization of quality standards, restructuring of individual sectors of the economy and enterprises with the aim of strengthening their activities on the national level and strengthening their position on global markets . Globalization processes that affect the development of the economy of countries currently require the search for methods of protection of domestic producers that contribute to the preservation of the competitiveness and efficiency of enterprises, as well as the introduction of innovations in all areas of their activity, the creation and promotion of environmentally safe and high-quality products. In the conditions of changes in external and internal markets, there is a need for industrial enterprises to adapt to them, and a country that has effectively functioning and competitive entities of entrepreneurial activity that successfully develop in an intensively changing external environment and shape their activities in accordance with the strategy acquires proper competitiveness own development [105; 212, p. 794].

The effective functioning of any branch of the country's industry is not only the production of products, their availability on the domestic market and their export, but also the stable replenishment of the budget through the payment of taxes, fees and payments, and social aspects: the availability of jobs, the stability of their income, a high level of wages fees, etc. [11, p. 33; 110, p. 106].

In our opinion, ensuring the development of the economy in any country and improving the standard of living of the population occurs, first of all, through the improvement of food security in the country, ensuring high demand for products of one's own

product manufacturer and the possibility of expanding product sales markets, including through its promotion to foreign markets in foreign countries. The issue of ensuring the economic security of the functioning of food industry enterprises is not only important at the micro level - objects of the national economic system, but also at the macro level - the country's economy, since the effective and competitive activity of enterprises in this industry significantly affects the level of economic and food security of Ukraine [11, p. 33; 110, p. 106].

This issue is particularly relevant due to the unprofitability of many industrial enterprises of Ukraine, which do not have the capabilities and strength to quickly respond to rapid changes, both in the external environment in the national and international economies, and to flexibly counter external and individual internal factors of influence. Because of this, certain problems arise in enterprises with the production and further sale of their own products [110, p. 107]. In our opinion, the creation of a stable, sustainable and competitive economy in the country is impossible without the introduction of successful reforms and, first of all, significant support from the state of national enterprises [21, p. 383]. This also applies to small business enterprises, the most promising, in our opinion, sector, the development of which is one of the most important issues for increasing the efficiency of enterprises and increasing the level of the country's competitiveness [112, p. 127].

As shown by previous studies [11, p. 33; 110, p. 106], the urgent issues of the modern effective functioning of industrial enterprises and ensuring their competitiveness, especially the food industry, are the resistance to changes in the external environment - the impact of the entire spectrum of globalization processes at all levels of the economic system. The principle in such a situation is not only the ability of enterprises to resist such changes in the external environment, but also their appropriate reaction.

Thus, the priority task facing an enterprise in Ukraine in modern conditions of economic development is to ensure its competitiveness and its effective management [212, p. 795]. That is, the creation of a stable, competitive and sustainable economy in the state is possible

Through software and increase equal competitiveness, as himself enterprises, as well as consumer products, including food products, goods, etc., however, is impossible without the implementation of successful reforms and support from the state. To achieve this task, a deep study of the essence of the conceptual and categorical apparatus "competitiveness" and its classification, an analysis of the external environment and internal structures at whose enterprise functions and leads to finding certain reserves and finding methods to provide worthy competitiveness enterprises, management competitiveness on them, obtaining protection and support of domestic food industry enterprises from the state, as well as regulation of such enterprises processes [11, p. 33].

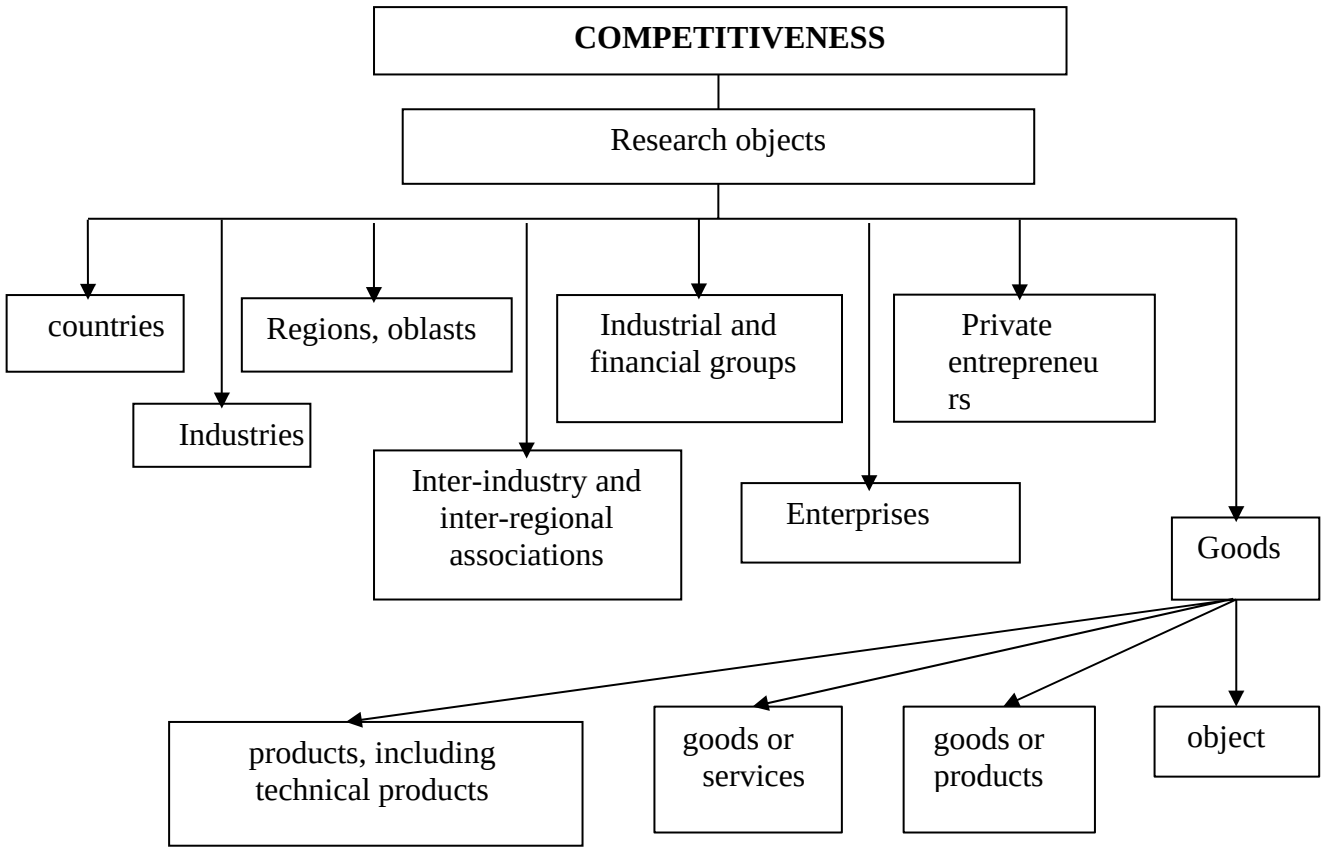
As evidenced by a review of the economic literature, the essence of the conceptual and categorical apparatus "competitiveness", its various aspects of functioning, ensuring the improvement of the competitiveness of enterprises, including enterprises of the food industry, their protection as a domestic producer, are devoted to the work of many economists, the result of which is a large number of scientific works.

Yes, K.O. Vaskovska noted [32, p. 165] that in order to "properly represent and sell its own products and be a market leader, a domestic enterprise must have a high level of competitiveness of its products and the enterprise as a whole." That is, it can be noted that "the competitiveness of any enterprise is the result of its advantages over other enterprises that act as its competitors, therefore, in order to increase the level of its own competitiveness, the enterprise needs to solve a number of strategic tasks that will lead to an increase in the efficiency of all types his activities" [11, p. 34].

The team of authors represented by O.V. Zakharchenko, M.A. Zaitsa, V.S. Nitsenko and other scientists [100, p. 23], share the difficulty of defining the concept of essence "competitiveness" into three special properties and note that "first of all, competitiveness has a comparative-relative, not an absolute character, as it is evaluated only in comparison with other subjects of the environment.

Secondly, competitiveness is a dynamic value, so it is advisable to consider it at a specific moment in time and taking into account changes in the market situation. Thirdly, competitiveness is a multifaceted concept and affects the subject of competition and a wide range of characteristics inherent in it. In addition, competitiveness is a multi-level concept, therefore it reflects the hierarchy of competition subjects and the concepts of competitiveness corresponding to them, which are characterized by differences in approaches to its assessment and analysis at different levels" [9, p. 98-99].

Studies show that the category "competitiveness" in the studies of both Ukrainian and foreign scientists is interpreted differently and is a broad concept that does not have a single approach to definition, both in essence and by types (Fig. 1.1). The study of the category "competitiveness" showed the ambiguity of its definition, which allows for further improvement.

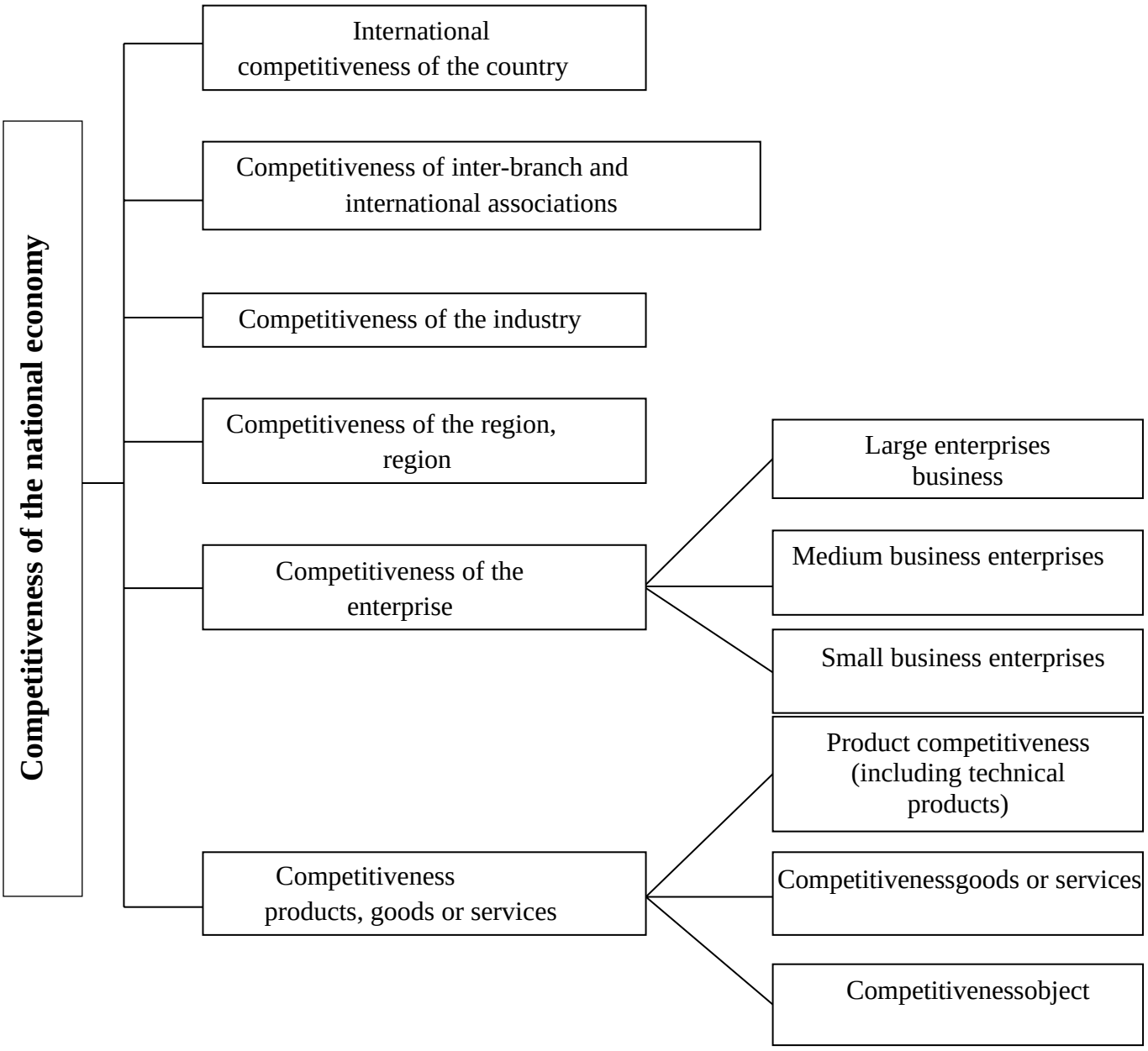


Rice. 1.1. Types of competitiveness research objects

* summarized by the author based on data [11, p. 34]

A generalized analysis of scientific views on defining the essence of a category "competitiveness" according to the research objects is presented in the table. A.1 of Appendix A.

Analyzing fig. 1.1 we improved approaches to category structuring "competitiveness national economy", systematization whichis presented in fig. 1.2.



Rice. 1.2. Approaches to structuring the category "competitiveness of the national economy"

* summarized by the author

Study of the works of scientists presented in the table. A.1 of Appendix A showed that all definitions of the conceptual-categorical apparatus "Competitiveness", as well as its forms and types, are similar to each other and have a single direction or basis. But, in our opinion, the most accurate definitions of the essence of the conceptual-categorical apparatus "Competitiveness" and its forms and types among those listed in the table. A.1 of Appendix A was made by the economists presented in the table. 1.1 and 1.2.

Yes, in the table 1.1 presents, in our opinion, the most accurate definitions of the essence of the conceptual and categorical apparatus "Competitiveness", "International competitiveness of the country" and "Competitiveness of the region, region".

Table 1.1

Basic definitions of the essence of the category "Competitiveness" and some of its types*

No	Type of category	Author	Definition
1.	Competitiveness	M. Porter [150; 151]	conditioned economic, social and political condition of the country or individual producer on the domestic and foreign markets.
			the property of a product, service, subject of market relations to act on the market at the same level as similar products, services or competing subjects market relations present in the market.
2.		V.O. Vasylenko [33; 34]	ability commercial organizationsdo and sell Competitive product, advantage given specific organizations concerning others organizations competitors in this field of business.
3.		H. Voronin [37]	a multifaceted concept that includes not only qualitative ones and price parameters of industrial products, but also depends from the level of management, financial flow management, investment and innovative component in activity enterprises.
4.		T.V. Hrynko [45]	the ability of the enterprise to manage more efficiently than other competing enterprises.

Continuation of the table. 1.1

No	Type of category	Author	Definition
5.	International competitiveness of the country	L.L. Antonyuk [8]	it is the country's ability to create such a national business environment under the conditions of a free and fair market, in which domestic product manufacturers can constantly develop their competitive advantages and occupy and maintain stable positions in certain segments of the world market.
6.		N. Grazhevska [44]	dynamic stability of the economic system in relation to external and internal shocks, its ability to ensure a high quality of life of the population based on an efficient system of production of goods and services.
7.		Economic encyclopedic dictionary [81]	the ability of the economy of one state to compete with the economies of other states in terms of the level of effective use of national resources, economic productivity and, on this basis, ensuring a high standard of living of the population.
8.	Competitiveness of the region, region	M. Porter [150; 151]	the productivity of the use of regional resources, and primarily labor and capital, in comparison with other regions, characterized by the size of the gross regional product (GRP) per capita, as well as its dynamics.
9.		N.Ya. Kalyuzhnova [99]	a set of relations regarding mobile resources aimed at achieving competitive success and regional development.

* a fragment of table A.1 of appendix A

Thus, M. Porter presents several definitions of the essence of the category "competitiveness", which in our opinion is the basis of the statements and the basis for all the definitions presented. In his opinion, firstly, "it is the conditioned economic, social and political state of the country or individual product producer on the domestic and foreign markets and the property of the product, service, subject of market relations to act on the market on an equal basis with similar goods, services or competing subjects market relations present in the market" [211; 212, p. 796; 150-151]. Secondly, in his opinion, "competitiveness is the property of a product, service, subject of market relations to perform on the market on a level with similar goods, services or competing subjects of market relations present on the market" [150-151].

A more general and broad definition of the essence of the category "competitiveness" is proposed by scientists O. Bilorus and Y. Maceyko, who note that "competitiveness is a dynamic process where everyone competes with everyone" [26] and T.V. Hrynko, who notes that "competitiveness is the ability of an enterprise to manage more efficiently than other competing enterprises" [45].

In our opinion, the apt statement of the category "competitiveness" was presented by H. Voronin [37], who characterizes competitiveness as

"a multifaceted concept that includes not only quality and price parameters of industrial products, but also depends on the level of management, management of financial flows, investment and innovation component in the enterprise's activity."

No less important, in our opinion, is consideration of the definition of such a type of competitiveness as the competitiveness of an enterprise. At the same time, analyzing the concept of "enterprise competitiveness", we can conclude that this concept is quite multifaceted and directly depends on the definition of such a type of competitiveness as "competitiveness of products, goods or services", which, in our opinion, should be structured into three groups (Fig. 1.2). This is due to the fact that if the enterprise does not produce competitive products or provide competitive services, it will not be able to be represented on the market of competitive goods or services.

An extended analysis of scientific views on the concept of "Competitiveness of an enterprise", as well as three subgroups of "competitiveness of products, goods or services" is presented in the table. A.1 of Appendix A, and the most defined and essential, in our opinion, in table. 1.2.

The interaction of these categories consists in the fact that the competitiveness of the enterprise is determined both by the enterprise itself, taking into account the expediency, profitability and efficiency of the sale of goods or the provision of services, and by the buyers themselves in the market, who, when buying a good or service, evaluate and choose a good or service for more attractive characteristics. Especially this

Table 1.2

Basic definitions of the essence of some types of the "Competitiveness" category

No	Type of category	Author	Definition
1.	Competitiveness of the enterprise	K.O. Vaskovskaya [31; 32]	the ability to effectively function in the consumer market on more favorable or more acceptable conditions for the consumer, compared to competitors, which contributes to the promotion and sale of products on the market by ensuring the effectiveness of its activities and taking into account the influence of external environmental factors.
2.		Dolzhanskyi, T.O. Zagorna [74]	the enterprise's ability to produce and sell quickly, cheaply, qualitatively, sell in sufficient quantity, with a high technological level of service.
3.		B. Karlof [93]	Ability to provide better proposal incompared to a competing company.
4.		D.M. Chervanov, L.I. Reikova [190]	a set of qualitative and cost characteristics that are separate from analogues, which provide specific needs of the consumer and determine its success on the market.
5.	Content of products, technical products	B.I. Mytsyk [135]	the competitiveness of products is nothing more than the possibility of its successful sale in a given market at a certain point in time.
6.		V.Ya. Mishchenko [136]	understand its ability to find sales in the presence of similar products on the market.
7.	Competitiveness of goods or services	D.I. Barkan [24]	a generalized characteristic that determines the attitude of consumers to a given product in comparison with similar products and plays a major role in making a purchase decision.
8.		V.Ya. Bobrov [28]	a set of consumer and value characteristics of a product that determine its success on the market, that is, the advantages of this product over others in the conditions of a wide offer of competing similar products.
9.		A.N. Lytvynenko, M.A. Tatyanchenko [122]	a characteristic of a product that reflects its difference from a competitor's product both in terms of the degree of compliance with a specific social need and in terms of costs for its satisfaction.
10.		B.I. Mytsyk [135]	the ability to withstand competition, that is, to be profitably sold at the same time as other competing similar goods or services.
11.	Con-t object and	B.A. Reisberg [153]	property, which is characterized by the degree of satisfaction of a specific need by it compared to similar objects presented on this market.

* fragment of the table. A.1 of Appendix A

refers specifically to food industry enterprises, for which successful and stable functioning, first of all, consists in the production of high-quality and necessary products for humans. Therefore, the enterprise when producing certain products, selling a certain product and providing a certain service is primarily guided by the needs, taste and requirements for a specific product or service on the part of the buyer.

It should be noted that in different periods one product or service may be competitive or not, however, provided a wide range of products is produced or when the company provides various services, a change in the competitiveness of one specific product or service may not have an impact or have a significant impact on changing the competitiveness of the entire enterprise.

The study showed that a temporary change in the competitiveness of a certain product or service, the emergence of new needs and/or requirements for a product or service from a buyer, an improvement in the standard of living of the population, a large and constantly growing number of sellers on the market leads to the constant development of the enterprise and the search for new strategies for optimization and improving the stages of production and sale of products, goods or services. Thus, it can be concluded that the competitiveness of the enterprise, first of all, is ensured through: improving the quality characteristics of products, optimizing product production, expanding its sales market and improving its implementation, including through the search for approaches to each category of potential buyers and providing their influence, as well as ensuring a successful advertising company.

One cannot but agree with B.A. Shogenov and O.M. Shogenov, who claim that the competitiveness of the enterprise is closely related to the provision of competitive advantages and the ability to use them. Smart use of one's own competitive advantages ultimately leads to return on investment. Therefore, it is advisable for the management of the enterprise to determine potential competitive advantages taking into account the nature of the industry in which the enterprise operates, as well as the presence of its own assets and capabilities [200, p. 25].

According to T.O. Dyachenko, an enterprise is competitive when it has sufficient flexibility and is able to successfully adapt to changes in economic conditions, both external and internal, and competitiveness is an indicator of the success or failure of the activities of all units of the enterprise [78, p. 9].

In his studies, Baeva V.V. formulates a definition separately for the food industry and notes that the competitiveness of food industry enterprises is "the internal potential of effective use of available limited resources for the production and sale of high-quality and cheap products in order to strengthen the market presence of the relevant type of products (relevant types of products) and obtain profit for further expanded production on an innovative basis" [9, p. 104].

The analysis of the essence of the category "enterprise competitiveness" showed that not all authors, when forming the definition of this category, single out the features inherent in the activities of a small business enterprise to a sufficient extent, namely, they do not consider the factors inherent in the object of micro- and nano-level competitiveness.

Thus, the analysis of scientists' publications made it possible to analyze scientific approaches to definition conceptual and categorical device "competitiveness" and its forms and types and to define
"competitiveness" as the ability of a subject of economic activity, using its own competitive advantages and opportunities to occupy a high position in the market, trying to constantly increase it, competing in real time with other subjects of economic activity in a certain similar field [47-48; 127; 129].

We determined that "competitiveness of a small business enterprise"
- this is the ability of a small business enterprise to function effectively on the market in comparison with competitors in a similar industry, through the production of products that are more profitable in most parameters, their sale on more attractive terms for the consumer and taking into account the potential, capabilities and limitations of the enterprise itself, the constant search for optimization of stages production and sale, and

as well as faster, compared to direct competitors, adaptation to changing internal and external factors of influence and the use of tools to ensure their competitiveness.

Thus, the conducted study [115, p. 114], made it possible to determine that at domestic enterprises of the food industry, the main means associated with the maximization of positive effects and the minimization of threats and risks associated with foreign trade liberalization is ensuring and increasing the competitiveness of such an enterprise and increasing the competitiveness of the products that the enterprise manufactures.

1.2. Analysis of approaches to determining the essence of the "small business" categories, "small business enterprises" and influencing factors

We conducted research on the effectiveness of activities and ensuring the competitiveness of food industry enterprises of Ukraine and Odesa region [110, p. 107], for which this industry is fundamentally strategic and the most budget-generating, are especially relevant at the present time, when most enterprises have problems of functioning both in the domestic and foreign markets, and therefore need a detailed study of their condition, methods, tools, processes such provision and improvement of the efficiency of their activities and competitiveness.

The issue of increasing the level of competitiveness of the most promising but also the most vulnerable sector - small business - becomes especially important. Therefore, we consider it necessary to carry out an in-depth analysis on the main issues of studying tools that contribute to increasing the level of competitiveness of small business enterprises and affect the process of its skillful management.

The development of the functioning of enterprises, in turn, is influenced by many factors, among which, first of all, it should be noted [23, p. 44]:

- the possibility of rapid state response to external factors of influence in the national and international economies;

- the possibility of quick counteraction by enterprises to external and certain internal factors of influence.

In our opinion [23, p. 44], the result of an increase in the level of efficiency of the functioning of each enterprise, is:

- successful economic and regulatory policy of the state and support of the domestic producer;

- protection of the domestic producer and the domestic market of the country from low-quality goods and unscrupulous foreign producers, raiding of enterprises, etc.;

- implementation of effective financial and credit policy in the state;

- ensuring the efficiency of the enterprise through the implementation of effective management decisions;

- ensuring competitiveness at enterprises as a result of their continuous development and creation of special competitive advantages.

In our opinion [23, p. 44], due to the unfavorable conditions for the functioning of economic entities in Ukraine, the issue of state support and state regulation of the activities of economic entities is acute. First of all, it concerns business activities and especially small business enterprises. Therefore, in our opinion, the greatest attention should be paid to the development of small business enterprises, as a sector that can solve the problem of increasing the level of efficiency of the economy and its competitiveness in Ukraine. Also, in our opinion, when studying this issue, one should take into account the successful experience of state regulation and support of small business enterprises in foreign countries.

As shown by previous studies [15, p. 175; 23, p. 44; 112, p. 127], in the developed countries of the world, small business is the main and most special sphere of the economy, where the share of such enterprises ranges from approximately 70% to 90%, and in some countries it even exceeds the limit of 95%.

As practice shows, the main directions for ensuring the functioning of small business enterprises are the need to develop new development strategies and business partnerships, production and marketing ideas, improve product sales and create additional jobs, introduce new technologies and improve production efficiency, from which, first of all, and depends on the efficiency and stability of the country's economy [15, p. 175; 75; 112, p. 127-128]. It should be noted that it is small business enterprises that can occupy that sector of the country's economy, due to the use of such management tools as, for example, outsourcing, subcontracting, etc., and also, as practice shows, it is small and medium-sized business enterprises that account for the largest number of innovations and commercial ideas and technical developments, in connection with the mobility of their repurposing and reaction to changes in the external environment.

The study showed [15, p. 176; 110] that in most countries of the world enterprises that meet certain characteristics are considered small, namely:

- qualitative - sub'entities of economic activity are independent and are under the management of owners or co-owners, the activities of such enterprises are mainly local in nature and cannot significantly affect prices and revenue volumes in their industry, besides, in the event of bankruptcy of such an enterprise, the economic and social impact will not be significant and little tangible;

- quantitative - by certain established legal criteria. Each country uses its own set of criteria that corresponds to the specifics of the development of its business sector [15, p. 176; 156].

It is based on the quantitative criteria established in the legislative and regulatory documents of various countries that there are significant differences in the classification of business entities as small businesses and micro-enterprises of the national economy from the economy of foreign countries.

The legislative basis for the activity and further development of small business enterprises in Ukraine are normative and legislative documents (with changes):

- Economic Code of Ukraine [43];
- Tax Code of Ukraine [148];

- Civil Code of Ukraine [189];
- Law of Ukraine "On development and state support of small and medium-sized enterprises in Ukraine" [86];
- Law of Ukraine "On State Aid to Business Entities" [87];
- Law of Ukraine "On Accounting and Financial Reporting in Ukraine" [88];
- Regulation (standard) of accounting 25 "Financial report of a small business entity" [149].

A preliminary study showed that according to the Economic Code of Ukraine as amended on February 7, 2019 (Chapter 2, Chapter 6, Article 55), "business entities can belong to small business entities, including micro entrepreneurship, medium and large entrepreneurship, and small business enterprises are natural persons-entrepreneurs or enterprises of any organizational and legal form and form of ownership, in which the average number of employees per calendar year does not exceed 50 people, and the annual income from any activity does not exceed the amount equivalent to 10 million euros, determined at the average annual exchange rate of the National Bank of Ukraine, and subjects of micro-entrepreneurship are natural persons - entrepreneurs or enterprises of any organizational and legal form and form of ownership, in which the average number of employees per calendar year does not exceed 10 people and the annual income from any activity does not exceed the amount equivalent to 2 million euros, determined at the average annual exchange rate of the National Bank of Ukraine" [14, p. 218; 15, p. 176; 43; 112, p. 128].

Entities of large entrepreneurship - "are legal entities - economic entities of any organizational and legal form and form of ownership, in which the average number of employees for the reporting period (calendar year) exceeds 250 people and the annual income from any activity exceeds an amount equivalent to 50 million euros, determined at the average annual exchange rate of the National Bank of Ukraine.

All other economic entities that do not fall under any of the listed criteria should be classified as medium-sized enterprises" [15, p. 177; 43].

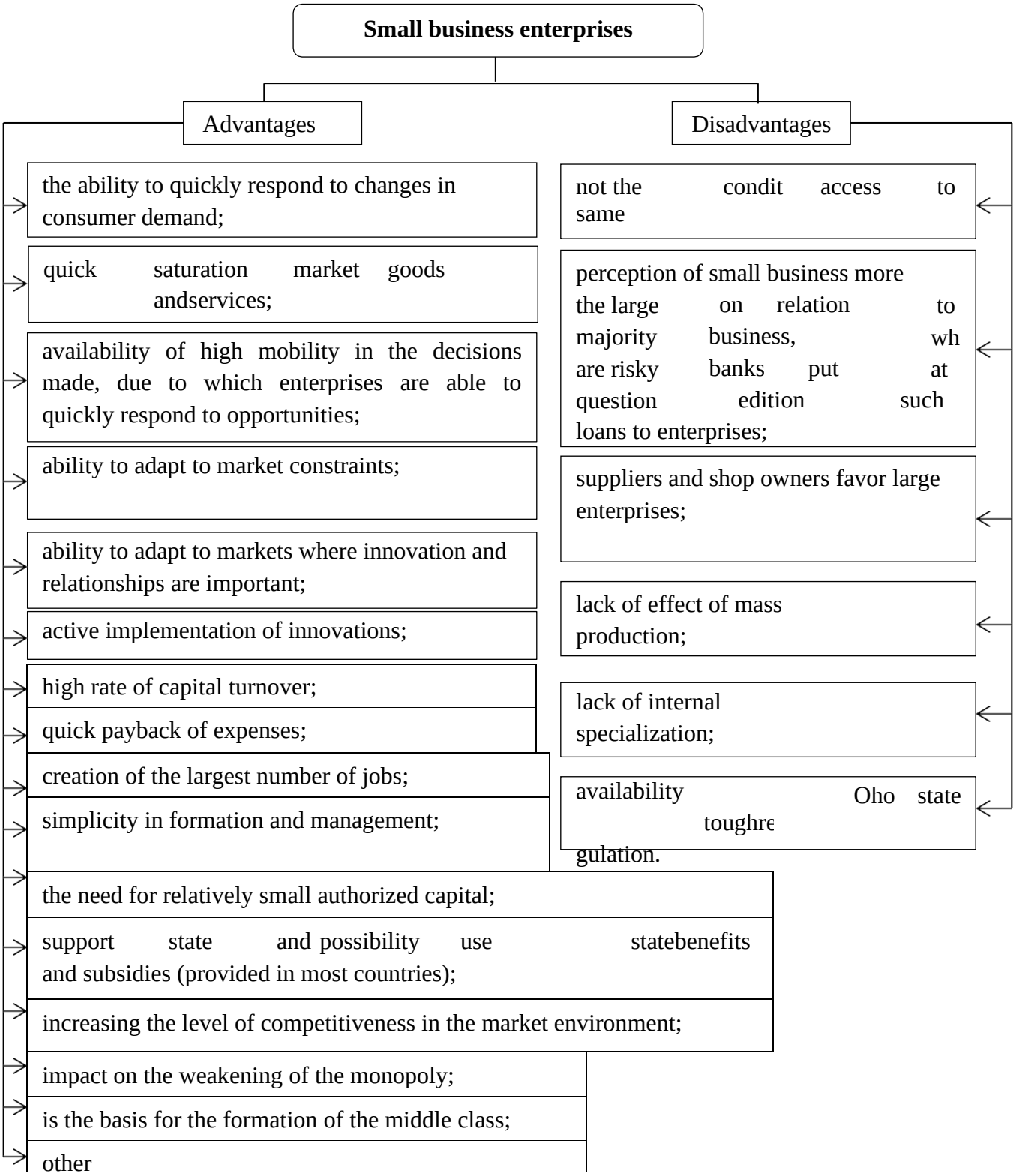
Regulation of relations between small business enterprises and the state takes place with the help of taxation, but with the use of certain parameters, such as: the average number of employees, the amount of annual income, the type of tax regime, etc. The majority of small business enterprises in their activities use a special, that is, a simplified taxation regime, which provides for only one type of tax - a single tax, also small business entrepreneurs must pay a single social contribution to the Pension Fund [102; 112, p. 128; 138-139; 142; 184; 213].

As the study showed [102; 112, p. 128; 130; 184; 208], the simplified reporting system provides certain advantages to small businesses, namely: simplification of calculations of the amount of tax payable; simplifying accounting and filling out financial reporting forms; reducing the number of forms required to fill out financial statements; the possibility of using a general and/or simplified plan of accounting accounts, etc., but despite significant advantages, the simplified system of taxation, accounting and reporting needs further research, with the aim of improving it and eliminating the shortcomings that force most small business enterprises to go into the "shadow economy".

The main advantages and disadvantages that are typical for small business enterprises are presented in fig. 1.3.

In Ukraine, gradually from year to year, the number of newly established small business enterprises is increasing, but this indicator does not show stability in the development of the small business sector at all, since the share of bankrupt enterprises in recent years mostly exceeds the share of newly established enterprises.

As the research showed, it is very difficult for many small business enterprises in Ukraine to cross the threshold of 1-3 years of activity. According to some Western specialists, only one out of three small firms can stay on the market for more than four years. Most bankruptcies are usually associated with inefficient management, including due to the lack of internal specification at enterprises



Rice. 1.3. The main advantages and disadvantages of small business enterprises

* compiled by the author based on sources [15, p. 177-178; 128; 146; 155]

small business. Difficulties in opening a small business in Ukraine include the following: unfavorable economic conditions and unattractive

investment climate in the state, lack of state guarantees and business protection, lack of real support from the state, presence of much more restraining parameters for entrepreneurs who would like to start their own business compared to EU countries [15, p. 178; 155].

The development of small business in most foreign developing countries is primarily due to a convenient system of regulation and support for small business, first of all, this is manifested through the use of active state support at all levels of government [15, p. 179; 43]. Thus, the system of regulation and support of small business in the EU countries, unlike Ukraine, began to take shape around the seventies of the last century, during which administrative barriers for small business were eliminated, changes were made to taxation, to the social policy of states, as well as adjusted terms of small business financing. The system of supporting small and medium-sized businesses became quite effective already in the nineties of the last century, thanks to the creation of both state and private organizations supporting small and medium-sized businesses. Also, the European Charter for Small Business Europe was developed, which provides significant advantages of financial, technological, information and personnel support for the development of small business, and the Small Business Act for Europe, which is the basis of EU policy on small and medium-sized enterprises. State support for small businesses is carried out through special programs financed from the Structural Funds of the European Union, the Regional Development Fund, the Social Fund, as well as through the activities of specific states [15, p. 179; 155].

Studies have shown [15, p. 179] that in the EU countries, the main subjects of the economy are small and medium-sized enterprises, which produce more than half of the total volume of GDP. The number of people employed in small business enterprises in the world, depending on the country, ranges from approximately 70% to 85%.

In the United States of America (hereinafter the USA), the development of small business began during the period of the Great Depression and the difficult economic situation, when

decrease in production volumes, unemployment and currency depreciation. Realizing that the recovery of the economy is possible only under the conditions of the development of small and medium-sized enterprises, the state government already in the early fifties of the last century began to form a system of regulation and support for small business enterprises. Currently, approximately half of the US GDP is generated by small businesses. Despite the stability and power of small business enterprises in the USA, the state does everything to support the development of such enterprises. The main provisions of small business support programs are: access to capital; tax incentives, namely the gradual reduction of tax rates and the reduction of progressive tax levies with a sufficiently narrow tax base and a wide scope of application of tax benefits, which encourages an influx of investments in industry, the service sector, and trade; technical and informational support; provision of guarantees for loans; assistance in obtaining government orders and protection in courts and at the level of legislation, etc. [15, p. 179-180; 125; 155].

Thus, Great Britain widely uses the tools of tax (reduction of profit rates, provision of tax benefits and deferrals of payments) and credit policy (provision of state guarantees for loans, payment of subsidies at interest credit rates) to support and stimulate small business enterprises, as well as the state provides guarantees regarding export operations, etc. [15, p. 180].

In France, most enterprises belong to the category of small enterprises (more than 90%) and are actively supported by the state. In addition to the wide use of tax policy, namely the use of tax benefits, including in some cases, even a temporary full exemption from paying taxes is possible or the possibility of obtaining a deferral of paying taxes in case of difficulties in doing business, the state pays great attention to social and political aspects, such as the creation of new jobs, opportunities to ensure the employment of the population, opportunities for personal development and obtaining education in the necessary fields [15, p. 180].

In the People's Republic of China (hereinafter PRC), small business is also developing quite rapidly and successfully, as evidenced by the large number of cheaper goods on the world market. Initially, the PRC was able to fill the world market with cheaper products, winning due to quantity and mass and losing quality, but thanks to the development of small businesses in the PRC and the rapid increase in the level of competitiveness among such enterprises, the country significantly increased the quality of its own products, and due to their large number managed to keep the price at a sufficiently low level in comparison with similar world products [15, p. 180-181; 155]. Also, small business enterprises in the People's Republic of China receive a wide range of high-tech assistance from the state. For example, entrepreneurs have the opportunity to obtain the necessary information with the help of specialized sites and electronic libraries, as well as to participate in webinars or video conferences organized by leading Chinese and global experts in the field of small business development [23, p. 46; 192]. At the same time, the state has developed a powerful system of stimulating small business enterprises, including by reducing the tax pressure on enterprises, developing a system of tender auctions that allows small enterprises to obtain a state order for the supply of goods or services, and reducing restraining parameters when opening a business [23, p. 46; 192].

The experience of the Republic of Singapore (hereinafter Singapore) is a vivid and successful example of raising the economy in the country and significantly improving the standard of living of the population. Today, Singapore is one of the most highly developed countries in the world and is considered by many specialists to be the best place to do business. Singapore's small businesses provide jobs for the majority of the country's population and cover all areas of life. The implementation of all legislative acts and laws of the country is monitored at a high level. Due to strict enforcement of laws, favorable economic situation in the country and attractive investment climate, existing small business enterprises are able to quickly develop and reach a new level, thanks to healthy competition. Also, the state has created favorable conditions for opening a new one

business, for example, preferential tax legislation is applied, guarantees are provided for funds invested in the economy, foreign investments and capital are attracted, etc. The SPRING Singapore agency ("The Standards, Productivity and Innovation Board"), specially created in 1996, was engaged in supporting small and medium-sized businesses. The agency provided development and implementation of various programs for small and medium-sized businesses, engaged in the development of entrepreneurial abilities, training personnel for managing small and medium-sized businesses. In 2018, "SPRING Singapore" agency merged with "International Enterprise Singapore" to form "Enterprise Singapore" with the aim of ensuring the further growth of Singaporean companies through an integrated support network, expanding business opportunities and entering the international market [15, p. 181; 75].

Another successful example of increasing the level of competitiveness of the domestic economy and the standard of living of the population is the interesting experience of the Republic of Korea. Small business in the Republic of Korea is widely supported by the country's state, and a large number of family and mini-enterprises (first of all, these are food industry enterprises, cafes and restaurants, the owners of which are a certain family) - are the basis of the development of the state's economy. Due to the significant number of small business enterprises in the country, competition among such enterprises remains at a very high level, which requires the owners to constantly increase the level of their own competitiveness by improving the quality of manufactured products, increasing their assortment, finding their own niche and focusing on a specific buyer, improving external types of products, improvement of service quality, etc.

Thus, it can be concluded that small business is the most promising, but at the same time the least developed and protected by the state link in the country. In our opinion, the development of the small business sector is one of the main solutions to the problems of increasing the efficiency of the economy and its competitiveness. An example of effective activity in any industry in

foreign countries, there is development and broad support from the state, especially small businesses.

As shown by previous studies [12, p. 30], in order to ensure the competitiveness of small business enterprises, it is necessary to conduct a study of the influence of factors on the competitiveness and efficiency of operations.

In our opinion, the competitiveness of any enterprise also depends on the efficiency of its activities, namely, on all types of its activities. Operational (main) activity allows you to obtain a certain level of profit from the sale of the company's products. With a significant level of profit from operating activities, the enterprise must invest free funds in production - operating activities, and in the capital of other enterprises - financial (investment) activities, which will allow to increase the sale of products, modernize production, expand the assortment in order to ensure and increase the level of competitiveness , improving the quality of products, reducing their cost, increasing the ways to promote products to the market, ensuring their competitiveness, etc. [12, p. 31; 178, c. 133-134]. Studies have shown that small business enterprises are mainly characterized by operational (main) and other activities.

There are many different factors that affect the efficiency of the enterprise. In a more in-depth study of this issue, a large number of different interpretations and approaches to the definition, classification, and level of impact of competitiveness were found, but most authors give their preference to external and internal factors as factors that have the greatest impact on the level of competitiveness in the enterprise [12, p. . 31; 18; 152; 185].

We agree with K.O. Vaskovsky [31, p. 6-7], which proposes to generalize the classifications and group them into endogenous - internal factors and exogenous - external factors, with their structuring into objective factors that do not depend on the activity of the enterprise, conditionally objective factors that can, depending on individual factors terms like

to have dependence and not to have it on the activity of the enterprise and subjective, depending on the activity of the enterprise, as well as detailing general and partial factors. Yes, to external factors K.O. Vaskovska refers to: international, political-legal, economic, natural-ecological factors and factors of influence of globalization processes, to internal general factors: resource potential, social-psychological factors, technical-technological factors, organizational-economic factors, product parameters, marketing- marketing factors, the image of the enterprise and the efficiency of ordinary activities [12, p. 31; 18; 31,
with. 7].

At the same time, we cannot disagree with O.B. Alokhinim [5] who identified two groups of factors: depending on factor influence and factors, under the influence of which, the enterprise can improve their condition in relation to the condition of these same factors in competing enterprises, i.e. preserve, improve or create competitive advantages. The scientist notes that it is possible to increase the level of the enterprise's competitiveness with the help of the system of factors of the first group, and with the help of the factors of the second group - to determine the direction of the planning of the enterprise's activities [5; 12, p. 31].

In our opinion [12, p. 31], to external factors affecting the country's competitiveness, except for those proposed by K.O. Vaskovskaya, it is necessary to add such factors as: the factor of state regulation, state support or assistance, regarding the support of the domestic producer, including small businesses, and the promotion of domestically produced goods, support for the renewal of fixed assets and the introduction of the latest technologies at the expense of preferential - tax and credit policy. In particular, these factors have an important impact in the modern period of the functioning of enterprises and contribute to the development of small business enterprises, as the most unprotected sphere of activity in the economy of our country.

We agree with A.V. Savitsky [12, p. 31; 159, c. 166-167], who believes that the quality characteristics of manufactured products are formed at all stages of its life cycle, but studying the competitive potential of the enterprise in the system of influence

competitiveness factors only to increase the quality of products. In his works, A.V. Savitskyi systematized the location of the stages in the order of their impact on the quality of manufactured products, which changed the logical sequence of stages in the system of the company's normal activity, but, in our opinion, when studying the influence of internal and external factors of competitiveness on all stages of the company's activity, which must be structured depending on stages of normal activity [12, p. 31; 159, c. 166-167].

Based on the results of the research, we supplemented and improved the structuring of internal and external factors in terms of the stages of the enterprise's normal activity, which is presented in the table. 1.3.

One cannot but agree with K.O. Vaskovsky [31, p. 7] regarding the fact that when conducting an internal analysis of competitiveness at an enterprise, it is necessary to divide partial, internal factors into individual ones, depending on the activities and needs of each enterprise, and, if necessary, to carry out even greater detailing of them in the future. However, it is necessary to take into account that there are fewer influencing factors in small business enterprises than in large business enterprises.

When studying the publications of scientists related to the problem of defining and classifying factors of competitiveness, it was found that the majority of authors distribute factors according to certain characteristics (Table 1.4). Each of the authors believes that in order to maintain and increase the competitive potential of the enterprise, it is necessary to ensure the level of competitiveness according to the specified factors in accordance with the purpose of the study.

So, for example, economists A. Ollivier, A. Diana and R. Urse [104; 141] believe that for an enterprise to be effective and competitive, it is necessary to ensure a high level of competitiveness on the basis of the following factors:

- the concept of goods and services on which the enterprise bases its activity;

- a high level of quality that corresponds to the level of quality of the leaders of similar products on the market and is revealed by surveying respondents and conducting

Table 1.3

Structuring of internal and external factors of competitiveness in terms of implementation stages business activities*

Stages of carrying out normal activities at the enterprise	Internal factors	External factors
Organizational stage	Organizational and legal structure; production structure; professional and qualification level of working personnel; existence of a production and product quality management system; management automation; educational potential of the enterprise; use of the latest computer programs during product development and packaging; availability of conditions for quality improvement at the enterprise; information support with operational information, etc.	Activities of state structures, economic, fiscal and monetary policy of the state; development of supporting sectors of the economy; location, natural, climatic and ecological conditions; deepening of integration processes; tax policy of the state; normative documents and organizational and legal support of the state, etc.
Marketing stage	Saturation of the market with the company's goods; competitive advantages of the enterprise, availability of opportunities for the enterprise to increase its market share; product price; analysis of the market and its segments; analysis of competitors' activities; consumer surveys; advertising and promotional actions, etc.	Demand and supply for goods produced by enterprises; changes in the country's domestic market; development of new markets; purchasing power and consumer preferences of the population (social); the intensity of competition in the studied market (competitive environment); level competitiveness of the industry; use of outsourcing (contracting), etc.
Technological stage	Technological equipment of the enterprise; raw material base; the quality of raw materials and the ability to process them, the use of the latest production and packaging technologies, etc.	Market conditions of raw materials, materials, labor resources and means of production, markets of financial resources; import of raw materials and materials; state regulation of the use of the latest technologies, conditions for providing short-term loans, etc.

Continuation of the table. 1.3

Stages of carrying out normal activities at the enterprise	Internal factors	External factors
Production stage	Stages of production of products; correction of defects and prevention of unproductive losses; efficiency of enterprise resource management; state of fixed assets and loading of production capacity; enterprise cost management, etc.	International cooperation between corporations, production enterprises; application of outsourcing (contracting) in the normal activities of the enterprise, etc
Sales stage	Volumes of sales of products; sales costs; improvement of product sales; improvement of own sales networks and cooperation with other trade networks; increase in the value of working capital of the enterprise; participation in exhibitions, fairs, advertising and promotional campaigns; profitability and profitability of the company's products and capital, etc.	Economic condition of the country; price policy of the country and competitors; export-import policy of the country; tax policy of the country; policy of trading networks; competitive advantages of competing enterprises; market condition and saturation with goods; purchasing power and consumer preferences of the population; seasonal fluctuations in the sale of goods, etc.
Innovative stage	Updating of equipment and application of the latest technologies, introduction of new equipment and means of work; introduction of innovations in the production of products and their packaging; introduction of the latest production automation processes and computer graphics; creation of deep processing systems of raw materials and materials; improvement of trade networks, etc.	Development of new technologies and NTP; development of innovations; increase in research and development; development of resource-saving technologies; development of new energy sources; improvement of the product standardization and certification system; state policy to support innovative activities of enterprises, etc.
Financial and investment stage	Attracting investments; financial and credit and investment policy and activity of the enterprise; product quality; state of competitiveness and efficiency of enterprises; the state of liquidity of assets and solvency of the enterprise; profitability and profitability of production and capital of the enterprise; application of outsourcing (contracting), etc.	Financial and investment policy of the state; tax policy of the state; state of the country's economy; investment climate in the state; state support for the development of small businesses in the country; application of outsourcing (contracting), etc.

*supplemented and improved by the author based on sources [159, p. 166-167; 46, p. 279-280; 85; 126, p. 89-90; 161, p. 65-66; 95, p. 108-109]

Table 1.4

Classification of competitiveness factors according to their distribution*

Signs of distribution and classification of factors	J. Bauer	E. Brulev	K.O. Vaskovskaya	A. Diana	J. Zusman	A. Kostin	N.M. Kuprin	J. Lodge	V. Malitska	V. Marcyn	A. Olivier	M. Porter	O. Rossikhina	E. Smolyanova	B. Scott	A. Strickland	L. Tyson	A. Thompson	R. Urse	O. Filatov
1. Object of research: a) Key factors are divided into the following: - depend on technology; - belong to the sphere of production; - relate to the sale of products; - are included in the field of marketing; - refer to professional skills; - related to organizational capabilities; - other key success factors.																+		+		
b) The concept of goods and services, their qualityand price, means of trade, resale preparation; foreign trade; company finances.				+							+								+	
2. Nature of occurrence: - basic and advanced; - general and specialized; - natural and artificially created.	+				+			+				+			+		+			
3. Scope: - external and internal.		+	+							+										

Continuation of the table. 1.4

Signs of distribution and classification of factors	J. Bauer	E. Brulev	K.O. Vaskovskaya	A. Diana	J. Zusman	A. Kostin	N.M. Kuprin	J. Lodge	V. Malitska	V. Marcyn	A. Olivier	M. Porter	O. Rossikhina	E. Smolyanova	B. Scott	A. Strickland	L. Tyson	A. Thompson	R. Urse	O. Filatov
4. Controllability: - controlled and uncontrolled; - managed and unmanaged.						+							+							
5. Level of specialization: - integral and specific																				+
6. Competitive level: a) factors: mego, macro, micro level;									+					+						
b) factors: macro, meso, micro, mini, nano level							+													

*compiled by the author based on the analysis of sources [85]

comparative testing;

- the price of the product with its possible markup;

- finances, both own and borrowed;

- commercial activity, through the use of effective commercial methods and means of activity;

- service after the sale of goods or products, which will provide the company with regular customers;

- foreign trade of the enterprise, which will allow the levers of positive management to be applied in relation to the authorities, mass media and public opinion;

- preparation carried out before the sale of goods or products, which will allow to anticipate the requests and interests of consumers and convince customers of the exceptional capabilities of the enterprise to satisfy their needs.

One of the interesting studies of the level of competitiveness of the enterprise is its study based on the competitive level, which was shown by E. Smolyanova and V. Malitska in their works [104; 162], who identified three levels of competitiveness:

- mega level - factor characteristics that are beyond the control of the state;

- macro level - factor characteristics that are under the control of the state, but not controlled by the enterprise;

- micro level – factor characteristics controlled by the enterprise.

But (Table 1.5), if we take into account the approach to increasing the level of competitiveness [105], structured into four levels of competitiveness (macrolevel, mesolevel, microlevel, nanolevel), then it is possible to supplement and improve the above classification based on the competitive level and expand it to five levels of competitiveness assessment (mega-level, macro-level, meso-level, micro-level, nano-level). At the same time, it should be noted that in the activities of small business enterprises, the first level (mega level), as a rule, is absent, unlike other levels, in connection with the combined activities of enterprises.

Table 1.5

Classification of factors affecting the formation and development of the enterprise's competitiveness, depending on level of object research and level of competitiveness*

The level of research of the object of competitiveness	Levels of competitiveness	Factors affecting the formation and development of the competitiveness of the enterprise
Mega level	Competitiveness of international corporations (factors beyond the control of the state)	Globalization; international specialization and division of labor; information revolution and scientific and technological progress; improvement of production technology; geographical position; climatic conditions, etc.
Macro level	Competitivenesscountries (factors controlled by the state, not controlled by the company)	Imperfection of the state mechanism; tax policy; state of the country's economy; investment climate in the country; the need to create an effective institutional environment; level of education and qualification of the population; level of development of general infrastructure; level of technology development; demographic situation; presence and degree of influence of natural monopolies on economic development, peculiarities of geopolitical location; geographical position; climatic conditions, etc.
Mesolevel	Competitiveness of the region, oblast, certain industry (factors under the control of the state and local authorities)	Local government policy; level of education and qualification of the population; level of development of general infrastructure; historically formed consumer aspects; peculiarities of the raw material base in the region and its availability; productivity of the region; geographical location; climatic conditions, etc.
Micro level	Competitivenessenterprises , products (factors controlled by the enterprise)	Organizational, legal and production structure; professional and qualification level of working personnel; efficiency of labor management; product quality; distribution of products of major manufacturers in trading points; production technology; stability of work; measure of brand popularity; price level; packaging design; the number of items; level and flexibility of service; speed and timeliness of order fulfillment; consumer orientation; financial policy; personnel management; labor productivity, etc.

Continuation of the table. 1.5

The level of research of the object of competitiveness	Levels of competitiveness	Factors affecting the formation and development of the enterprise's competitiveness
Nano level	Competitivenessa specific private entrepreneur (factors controlled by a private entrepreneur - a natural person)	Organizational, legal and production structure; professional and qualification level of a private entrepreneur, working personnel; production technology; product quality; measure of brand popularity; price level; packaging design; the number of items; level and flexibility of service; speed and timeliness of order fulfillment; consumer orientation; financial policy; profit level of a private entrepreneur, etc.

* compiled and improved by the author based on sources [85; 104-105]

1.3. Methodology for assessing the competitiveness of the enterprise

In modern business conditions, in order to effectively manage its own competitiveness, the enterprise needs to conduct its assessment in order to identify weak points and find directions for their elimination, as well as constant further monitoring of the efficiency of the enterprise's activity and competitiveness.

B.V. Burkynskyi, E.V. Lazareva, I.M. Ageeva et al. in the monograph [98] they note that according to the method built on the theory of effective competition, for calculating the coefficient of competitiveness of domestic enterprises, including food industry enterprises, it is necessary to divide the indicators into four groups, each of which requires a separate analysis (Table 1.6).

Table 1.6

Groups of partial indicators needed to calculate the level competitiveness of the enterprise based on the method built on the theory of effective competition*

Competitiveness indicators	Characteristics of the indicator	The formula for calculating the indicator
Indicators characterizing the efficiency of production process management		
Relative indicator of costs per unit of production (B)	Reflects the efficiency of costs in the production of products	$B = \frac{B_{вал}}{Q}$, B_{shaft}- gross costs; Q is the volume of production.
The relative rate of return (f)	It characterizes the efficiency of the use of the main means of production; will show how much production in value or physical terms the enterprise received for 1 hryvnia of fixed production assets	$f = \frac{Q}{OZ}$, Q – production volume; $\overline{OZ}$- the average annual cost of the main means of production.
Relative indicator of profitability of production (R p)	It characterizes the degree of profitability of products, will show the profitability and expediency of its production	$R_p = \frac{П_{вал}}{C_p} \cdot 100$, де P_{shaft}– γροσσ προφιτ; Wed–realized cost products

Continuation of the table. 1.6

Competitiveness indicators	Characteristics of the indicator	The formula for calculating the indicator
Relative indicator of labor productivity (W)	Reflects the degree of organization of production and use of labor force	$W = \frac{Q}{\overline{Ch}}$, Q – volume of product production in physical or value terms; $\overline{Ch}$- the average registered number of employees.
Indicators of efficiency of working capital management		
The duration of one turnover of working capital (Vol$_{about}$)	Shows the duration of one turnover of working capital in days	$Tob = \frac{T}{K_{ob}}$, T- period (360, 90, 30 days); K$_{about}$- turnover ratioworking capital.
The turnover ratio of working capital (K$_{about}$)	Analyzes the effectiveness of the use of working capital; shows the number of turnovers per year	$Kob = \frac{RP}{WITH_{hall}}$, where RP - products sold for the year; WITH$_{hall}$– average annual balanceworking capital.
Coefficient of autonomy (K$_{and}$)	It characterizes the independence of the enterprise from external sources of financing	$Ka = \frac{number\ 1495\ f.1}{number\ 1900\ f.1}$., where r. 1495 f.1 - the amount of the company's equity capital; year 1900 f.1 - the total amount of funding sources
Current liquidity (coverage) ratio (K$_p$)	Assesses the overall solvency of the enterprise and shows the extent to which current assets cover current liabilities	$K_{\overline{p}} = \frac{AND_1 + A_2 + A_3}{P_1 + P_2}$,where AND$_1$– the most liquid assets; AND$_2$ – assets, What quicklyimplemented; AND$_3$ – assets, What slowimplemented; P$_1$– immediate liabilities; P$_2$- short-term liabilities.
Quick liquidity ratio (K$_{sl}$)	Reflects the forecast capabilities of the enterprise, provided that settlements with debtors are made on time	$K_{sl} = \frac{A_1 + A_2}{P_1 + P_2}$, where AND$_1$– the most liquid assets; AND$_2$ – assets, What quicklyimplemented; P$_1$– immediate liabilities; P$_2$- short-term liabilities.

The end of the table. 1.6

Competitiveness indicators	Characteristics of the indicator	The formula for calculating the indicator
Absolute liquidity ratio (K_{al})	Shows what part of current liabilities can be paid off immediately, if necessary, at the expense of the most liquid assets	$K_{ал} = \frac{A_1}{П + П}$, A_1– the most liquid assets; P_1– immediate liabilities; P_2- short-term liabilities.
Solvency ratio (K_{fee})	Reflects the ability of the enterprise to fulfill its financial obligations and determines the probability of bankruptcy	$Kn = \frac{BK}{З_{заг}}$, BK- own capital; $З_{general}$– general obligations.
Indicators of the effectiveness of management of sales and promotion of products on the market		
Profitability of sales (R_p)	It characterizes the profitability of the enterprise on the market, the correctness of setting the price	$R_p = \frac{\overline{П^{shaft}}}{ChD} \cdot 100$, where R p - profitability of sold products (sale); ChD - amount of net income (revenues) from the sale of products (goods, works, services).
Coefficient of oversupply of finished products (K_{with})	Expresses the degree of saturation with finished products. An increase in the indicator indicates a drop in demand.	$Кз = \frac{Qнп}{Q} \cdot 100$, де Q_{nn} – amount unrealizedproducts; Q – sales volume.
The coefficient of utilization of production capacities (K_m)	Shows the business activity of the enterprise, the efficiency of the sales service	$Km = \frac{\overline{Θ}}{Vp}$, where Q – sales volume; IN_p– production capacity.
The coefficient of effectiveness of advertising and means of sales promotion (K_p)	It characterizes the effectiveness of the company's marketing policy	$Cr = \frac{ς ρ}{Pr}$, where Vr - costs for advertising and sales promotion; P_p- profit growth fromimplementation.

*compiled by the author based on sources [94; 98]

To the fourth group B.V. Burkynskyi, E.V. Lazareva, I.M. Ageeva et al. attributed the indicators characterizing the competitiveness of products (quality

of the product, the price of the product) of the enterprise and show its ability to satisfy the needs of consumers in accordance with its purpose.

The study showed [108, p. 12; 109, p. 29] that over a long period of time in the scientific publications of scientists, there is an endless debate related to the use of one generalizing indicator or a whole system of indicators to determine the level of production efficiency at the enterprise and the level of competitiveness. Yes, A.G. Honcharuk believes that the following indicators should be used to determine the efficiency of the company's activity: rate of return, profit, profitability, labor productivity, return on capital, capital intensity, material return, material intensity, etc. [41].

Yes, Yu.O. Melnyk believes [132, p. 290; 133] that it is necessary to apply natural, value, labor indicators, as well as coefficients, indexes and percentages, norms and regulations, to assess the efficiency of enterprises. In his opinion, with the help of partial indicators it is possible to calculate generalizing indicators, in this case, partial indicators will be the basis and base, and generalizing indicators will be the goal of calculations [108, p. 12; 109, p. 29].

This distribution of indicators is also highlighted by S.F. Pokrypny [82, p. 51], dividing the system of efficiency indicators into general indicators and partial indicators (indicators of the effectiveness of the use of live labor, production facilities, material resources and financial resources). Thanks to partial indicators, it is possible to calculate the efficiency of the use of certain types of resources at enterprises, which, in turn, are also divided into two groups. The first group includes indicators that are necessary to determine the level of use of resources already used at the enterprise (labor productivity, return on capital, capital intensity, etc.). To the second group, he includes indicators characterizing the use of consumer resources (material yield, material intensity) [108, p. 12; 109, p. 29].

Since each analyzed group of indicators has its own, and thus different importance, a group of authors, namely B.V. Burkinskyi, E.V. Lazarevoi, I.M. Ageeva et al. [98], weighting coefficients of criteria and were found

the proposed formula for determining the coefficient of competitiveness of the enterprise (KKP), according to the theory of effective competition:

$$KKP = 0.15EP + 0.23\ FP + 0.23\ ES + 0.33\ CT, \quad (1.1)$$

where, EP is the value of the criterion of the efficiency of the production activity of the enterprise;

FP - the value of the criterion of the financial position of the enterprise;

ES - the value of the criterion of the effectiveness of the sales organization and the promotion of products on the market;

KT - the value of the criterion of product competitiveness;

0.15; 0.23; 0.23; 0.33 - weighting factors of the criteria.

A 15-point scale is used to analyze the obtained results and to transfer the calculated indicators from the four groups into relative terms, with the help of which comparisons are made with the basic indicators. Basic indicators are considered to be: indicators of the leading enterprise, average industry indicators, previous indicators of the enterprise. The assessment is carried out according to a special system: if the indicator has a value worse than the basic one, then it is assessed at 5 points, if at the same level - 10, and if the indicator is higher than the basic one - by 15 points [14, p. 227; 98].

After receiving the result, the company analyzes it for the purpose of searching "bottlenecks" and directions for improving the efficiency of industrial enterprises, including food industry enterprises and food industry small business enterprises [14, p. 227; 98].

As the study showed [14, p. 227], the indicators divided into the above-mentioned groups also do not fully meet the conditions of operation of small business enterprises and require further improvement.

We agree with P.V. Osypov, S.F. Pokropypnym and Yu.O. Melnyk [97, p. 62] that when using generalizing and partial indicators, the efficiency of the enterprise is measured both from the side of the resource and from the side of the cost approaches, which indicates the complementarity of these indicators, but it is also impossible not to

agree with A. Kogut that the use of a large number of indicators is not always expedient, as it can make it difficult to establish the facts of efficiency, its size and dynamics at the enterprise, but this is regulated by the directions and expected results of research [108, p. 12; 109, p. 29].

In previous studies [13; 14, p. 132-135; 212, 799-801], we highlighted the main methods of assessing the competitiveness of an industrial enterprise, including small business enterprises (Table 1.7) and selected groups of indicators, which are necessary for calculating the level of competitiveness and formed on the basis of the method built on the theory of effective competition.

Table 1.7

Basic methods of assessing the level of competitiveness for enterprises, including for small businesses*

Methods of assessing the competitiveness of the enterprise	Characteristics of methods, possible advantages and disadvantages
Methods of assessing competitiveness by market share	Divides subjects of market activity into: outsiders, subjects with a low, medium and strong competitive position and leaders of market activity. The magnitude of the change in the market share makes it possible to determine certain groups of economic units, the size and dynamics of market shares makes it possible to build a competitive map of the market, which determines the degree of dominance in the market, the peculiarities of the development of the competitive situation. The disadvantages are that this method only allows you to assess the level of competitiveness in the market and register certain changes among competitors, but does not allow you to find the reasons and develop the necessary response measures to improve your own competitive position.
Methods built on the basis of the theory of effective competition	Comparison of the position of enterprises of the industry with competing enterprises and average industry indicators by groups of indicators (efficiency of the enterprise's production and sales activities, financial stability, quality of the enterprise's products"). The advantages of this method are that with its help it becomes possible to identify the weaknesses and strengths of an enterprise in relation to another, to evaluate the exchange of the backlog, to develop management actions to strengthen weak points. The disadvantages include the fact that it is quite difficult to collect all the information necessary for calculating indicators, and the calculations themselves are extensive and time-consuming.
Matrix and graphical methods of assessing competitiveness	Research on the development of competitiveness in dynamics. The advantages of these methods are ease of understanding and visibility. Among the shortcomings of these methods, it should be noted that they do not provide the necessary systemic view of competitiveness, do not take into account the different weights of its factors.

Continuation of the table. 1.7

Methods of assessing the competitiveness of the enterprise	Characteristics of methods, possible advantages and disadvantages
Method of portfolio analysis	The tool, thanks to which the enterprise determines its economic condition and the feasibility of investments in various spheres of the enterprise. The result of the analysis is the reduction or termination of investments in areas that do not bring profit to the enterprise or, conversely, the increase of investments in attractive and promising projects or departments. The purpose of applying the analysis is to find and agree on the best strategies for the company and the appropriate distribution of the company's financial resources. It is carried out thanks to matrix methods, the first and most famous of which is the model of the Boston Consulting Group (BCG). Each of the analyzed matrices has its advantages and disadvantages and gives different results for the assessment of the business portfolio of the enterprise, so it is advisable to use combinations of different matrix methods in the analysis. The shortcomings of the BKG model include the fact that it takes into account only two indicators, which does not always allow to correctly assess the capabilities of the enterprise; does not show the direction of relative market share development and excessively focuses on cash flows without considering investment performance. The second matrix method is the matrix, which was presented by the consulting firm McKinsey and the company General Electric (GE). The goal of the method is to increase investments and develop attractive referrals at the enterprise, and vice versa, to reduce investments in referrals in which the company's position is weak and does not bring sufficient profit. This matrix is based on an assessment of the long-term attractiveness of the industry and the competitive position of the field of activity. The main disadvantages of the matrix are: difficulties accounting of market relations; too many criteria; difficulties in choosing strategies.
SWOT analysis	It consists in collecting complete information about the internal situation of the enterprise, studying the characteristics on which the enterprise has an influence: the strengths of the enterprise, which provide significant advantages among competitors, as well as the weaknesses of the enterprise in relation to competitors. At the same time, on the other hand, the external environment (market) on which the enterprise has no influence is studied: the opportunities that the market provides to the enterprise to expand its own activities and threats that reduce the attractiveness of the market for the enterprise. The disadvantages include the fact that it is quite difficult to collect all the information necessary for calculating indicators, especially for small businesses that have a specific form of conducting business.
Methods based on the theory of product quality	Analysis of the value of products for consumers and comparison of significant parameters of the products of the industrial enterprise according to similar parameters with the products of competing enterprises. Among the shortcomings, we can include: the assessment of the competitiveness of the enterprise depends on the competitiveness of the product, the production activity of the enterprise is not taken into account.

The end of the table. 1.7

Methods of assessing the competitiveness of the enterprise	Characteristics of methods, possible advantages and disadvantages
The index method or the method based on the assessment of the competitiveness of products	The calculations take into account such an important criterion as the product's competitiveness. According to this method, competitiveness manufacturer depends fromcompetitiveness of its products. The ratio of two characteristics is used: quality and price, and thus, the product that has the optimal ratio of these characteristics is considered the most competitive. Disadvantages include: limited understanding of advantages and disadvantages inwork enterprises, identitycompetitiveness of the enterprise exclusively from competitiveness of the product.
Methods based on the analysis of comparative advantages	The industrial enterprise has such advantages that enable it to ensure relatively low production costs compared to its competitors (product quality and sales volumes, production costs, the size and rate of the enterprise's profit, the enterprise's segment in the industry market, etc.). The disadvantage of the method is that it does not allow to make a holistic conclusion about the level of competitiveness, since the use of only production costs as an evaluation criterion does not reflect the processes of interaction of the product manufacturer with the market.
Benchmarking method	The approach, the essence of which is to identify leading enterprises, analyze their strategies, what they do better, and study, improve and apply the work methods of such enterprises in themselves. It is carried out within the framework of competitive analysis, but is a more detailed and organized form of it. The disadvantage is that it is impossible to adequately assess the activities of the leading enterprises due to the lack of reliable information about their activities.
KEF analysis	A complex methodical approach, which is based both on the analysis of the efficiency of the enterprise's functioning and on the analysis of its external environment (the competitiveness of the enterprise's functioning). It includes five main methods of assessing the level of competitiveness: methods based on the theory of effective competition, methods of assessing competitiveness by market share, matrix and graphical methods of assessing competitiveness, the method of portfolio analysis, SWOT analysis. The analysis is carried out using a certain system of indicators. The disadvantage is that this analysis is not universal, because it does not take into account some aspects that are necessary for an adequate assessment of the level of competitiveness of small business enterprises.

*compiled by the author based on sources [14; 19; 30-31; 89; 98; 112; 118; 145; 183; 195; 197; 203; 212].

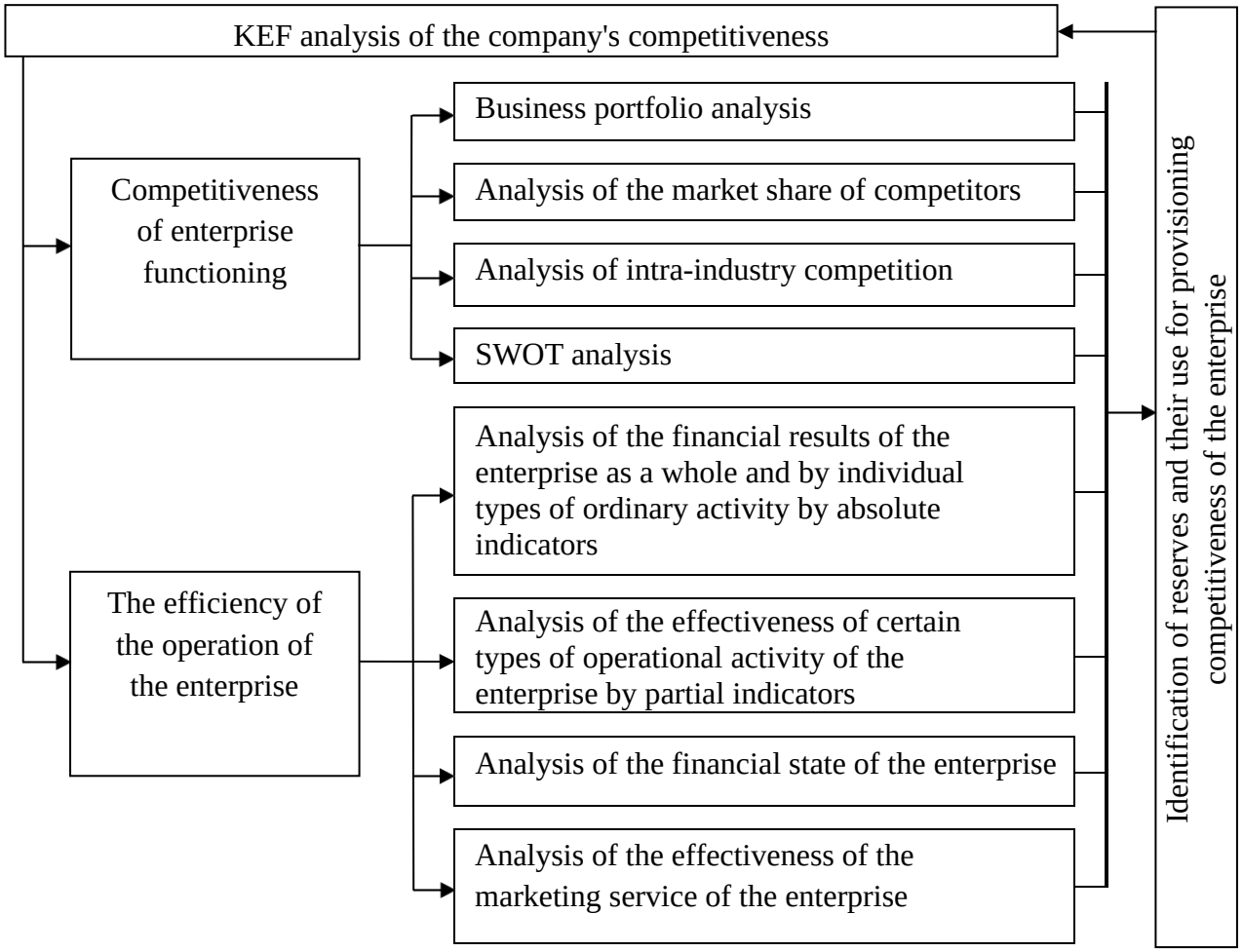
Presented in the table. 1.7 methods of assessing the level of competitiveness for enterprises small business, there are extended option evaluations equal

competitiveness, therefore each of the small business enterprises must independently choose the most optimal and effective method of evaluation, which would take into account the specific type of enterprise's activity, the conditions of its operation and satisfy the tasks set by the enterprise's administration.

The analysis of the works of scientists showed [212] that "quantitative methods of assessing competitiveness help to assess the ability of an enterprise to make effective management decisions and to assess the ability of an enterprise to capture strategic economic zones in competition in the external environment and are based on the calculation of certain indicators using relative values that are combined into group and integral indicators. However, in our opinion, in order to assess the competitiveness of such a subject of the national economy as an enterprise, it is necessary to choose the combined methods that have a systemic nature, but are less cumbersome and complicated in calculations and conducting such an analysis."

When studying the question of assessing the competitiveness of the enterprise, K.O. Vaskovskaya highlighted the concept of "competitiveness of the functioning of the enterprise" and it was noted that the competitiveness of the functioning of the enterprise means the ability to form more favorable operating conditions in the consumer market compared to competitors by creating and developing competitive advantages that have consumer value [31]. It is the need to analyze the external environment in which the enterprise is located, to analyze the market, consumer demand, and the enterprise's ability to fully satisfy this demand that are characterized by competitiveness. But it becomes necessary not only to analyze the external environment, market analysis, but also to analyze the efficiency of the enterprise itself, its internal capabilities and potential, leading to the need to combine several methods to obtain more optimal results from the search for the most effective method of ensuring and increasing the level of competitiveness of food enterprises industry of Ukraine, incl. small business enterprises of the food industry.

An attempt to combine the two above-mentioned methods, namely the method based on the theory of effective competition and the method of competitiveness, was made by K.O. Vaskovsky [31] and presented in the form of KEF-analysis (complex methodical approach to the analysis of the competitiveness of the enterprise), which allows to analyze the efficiency of the industrial enterprise and its competitiveness in the complex, using a certain system of indicators (Fig. 1.4).



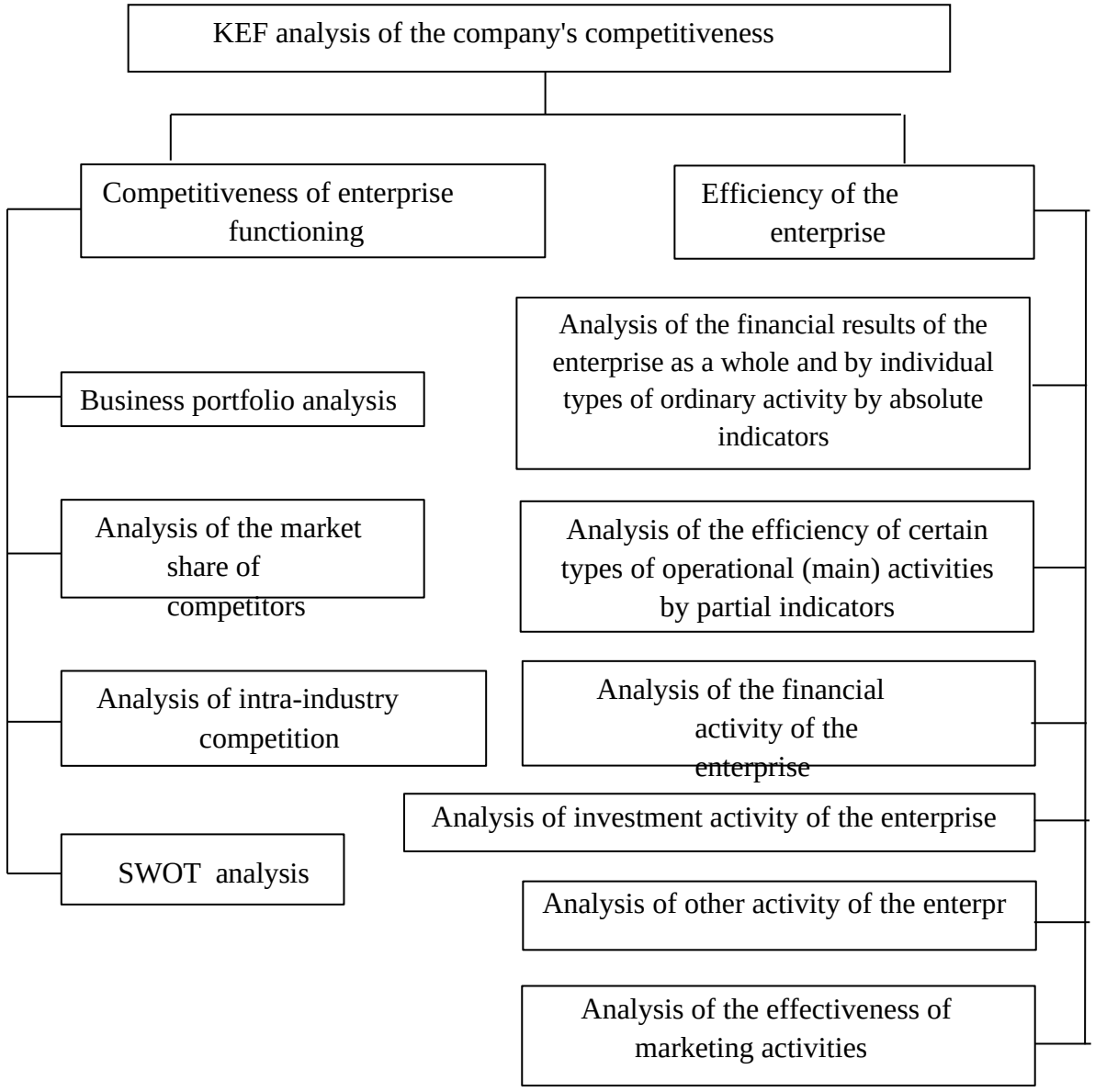
Rice. 1.4. Methodology of KEF-analysis of competitiveness enterprises*

*compiled by the author based on [31]

Such a system of indicators includes indicators of the financial activity of the enterprise in absolute and relative values, partial indicators that

are used to evaluate certain types of operational activity at the enterprise, indicators to evaluate the application of marketing measures at the enterprise, their effectiveness.

We supplemented and developed an approach to the analysis of the competitiveness of K.O.'s enterprise. Vaskovska Rys. 1.5.



Rice. 1.5. Scheme of KEF analysis of the competitiveness of enterprises food industry*

*supplemented by the author based on the source [31]

Thus, this structure of the KEF analysis of competitiveness is intended for food industry enterprises, it differs from the one presented in fig. 1.4

schemes, due to changes in the existing structuring of the areas of analysis of the company's performance, namely:

– analysis of the company's financial activity;

– analysis of the enterprise's investment activity;

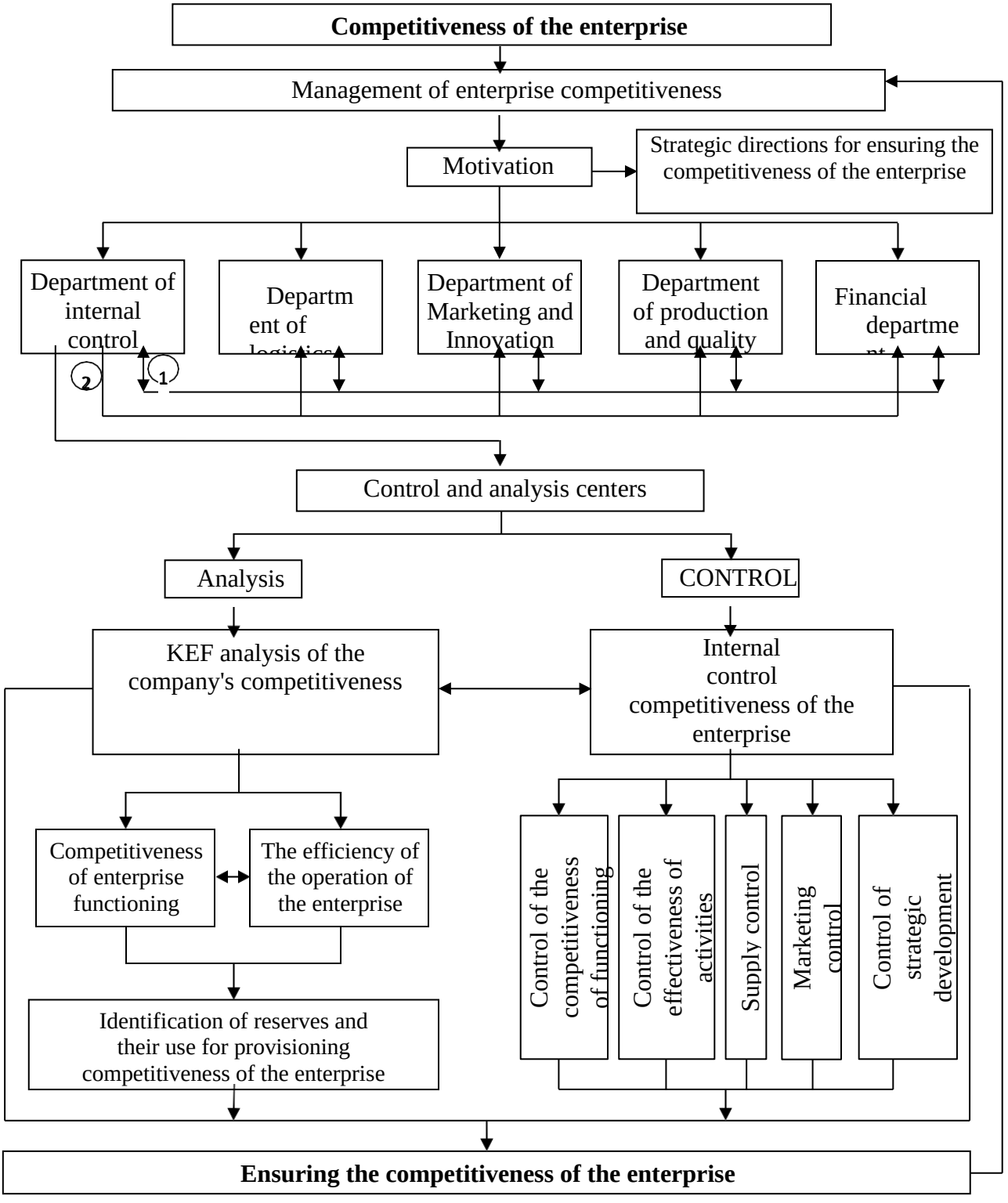
– analysis of other activities of the enterprise;

– analysis of the effectiveness of marketing activities.

But the built KEF analysis of the competitiveness of food industry enterprises (Fig. 1.5) does not reflect the peculiarities of the functioning of small business enterprises, and therefore it needs further transformation for the most complete reflection of the peculiarities of their functioning.

Studies in the works of foreign scientists regarding the assessment of the level of competitiveness of enterprises need adaptation to the regulatory and legislative framework and practice of enterprises in Ukraine, and domestic scientists, unfortunately, have not reached a general conclusion about the most effective method of ensuring and increasing the level of competitiveness at industrial enterprises, including .h food industry enterprises, and especially for small business enterprises. Therefore, in our opinion, the KEF-analysis method adapted to the activity of small business enterprises, which combines two main methodological approaches to assessing the competitiveness of an enterprise and takes into account certain peculiarities in the activity of small business enterprises, is the most effective method of assessing the level of competitiveness and needs it further improvement taking into account the peculiarities of the functioning of small business enterprises

Vaskovska K.O. the structure of the organizational and economic system of managing the competitiveness of the enterprise was compiled, which is presented in fig. 1.6. This management structure is based on separate management functions (motivation, analysis, control) of the structural subdivisions of the enterprise with the selection of KEF-analysis of competitiveness and aspects of internal control, which are characteristic of medium and large business enterprises and require simplification and



1 Information flows - the exchange of necessary information between the company's departments

2 Control by the internal control department of the activities of the departments and their results, which affect the competitiveness of the enterprise

Rice. 1.6. Structural and logical diagram of the organizational and economic system of managing the competitiveness of enterprises of the wine industry

* compiled by Vaskovskaya K.O. [31]

improvements specifically for small businesses. A special aspect is that it is necessary to take into account state regulation and state support of small business enterprises in Ukraine, especially in the food industry, due to the critical state of functioning and competitiveness of these enterprises.

The conducted studies lead to the conclusion that the most optimal method of assessing the level of competitiveness for small business enterprises, incl. of small business food industry enterprises, is a combined method that takes into account the limitations characteristic of the enterprise, its condition, sphere of activity, the economic situation in the state, its own capabilities and internal resources and reserves, as well as the influence of other external and internal factors.

Thus, a study was carried out on theoretical approaches to determining the essence of the conceptual-categorical apparatus "competitiveness", its types, classification and evaluation methods, analysis of approaches to determining the essence of the categories "small business", "small business enterprises", as well as an analysis of the efficiency of the functioning of enterprises small business of the food industry and the need to ensure and increase the level of competitiveness at such enterprises due to the perspective and necessity of small business development, confirms the need to improve the methodical approach to assessing the competitiveness of small business enterprises, the formation of a competitiveness management system at small business enterprises, in order to ensure it, increase and improvement of development.

Conclusions to the first chapter

Research from this section of the dissertation confirms that:

1. Ensuring the level of competitiveness at the enterprise is one of the most important tasks that every enterprise faces and closely interacts with the efficiency of its activities. This especially applies to small business enterprises, as a promising link for the development of the country and raising its standard of living

population. The development of small businesses is particularly promising for the food industry, and the Odesa region, thanks to its favorable geographical location, climate and the presence of seaports and stable transport, is a particularly favorable area for their development, especially the development of the region's tourism sector.

2. The analysis of scientists' publications made it possible to analyze scientific approaches to definition conceptual and categorical device "competitiveness" and its forms and types. Research shows that the category "competitiveness" in the studies of both Ukrainian and foreign scientists is interpreted differently and is a broad concept that does not have a single approach to definition, both in essence and in terms of types. Such approaches made it possible to define the category "competitiveness" as the ability of a subject of economic activity, using its own competitive advantages and opportunities to occupy a high position in the market, trying to constantly increase it, competing in real time with other subjects of economic activity in a certain similar industry .

3. In the first section, a study of normative documents was conducted, which determine the criteria for the formation and functioning of small business enterprises in Ukraine and the experience of foreign countries. As the research showed, many small business enterprises in Ukraine exist for no more than 3 years, and most bankruptcies are usually associated with inefficient management, including due to the lack of internal specification at small business enterprises. It was established that the difficulties in opening small business enterprises in Ukraine should also be attributed to the unfavorable economic situation, the unattractive investment climate in the state, the lack of state guarantees and business security, the lack of real support from the state, the presence of many more restraining parameters for entrepreneurs who wanted to b to start one's own business compared to EU countries.

4. Based on a study of the formation and functioning of small business in foreign countries, it was determined that the development of small business in most foreign developing countries occurs due to a convenient system of regulation and

small business support, for example, through the use of active state support at all levels of management, and in most countries of the world enterprises that meet certain characteristics are considered small, namely: qualitative (functioning of small business entities) and quantitative (certain established legislative criteria in each country, which corresponds to the specifics of the development of its business sector). Unlike most developed foreign countries in Ukraine, the creation and functioning of small business enterprises is regulated by more quantitative characteristics.

5. The main advantages and disadvantages of the operation of small business enterprises, which must be taken into account in order to ensure the competitiveness of small business enterprises and their development, have been formed. This will make it possible to define the essence of the category "competitiveness of a small business enterprise", as the ability of a small business enterprise to function effectively on the market in comparison with competitors in a similar industry, through the production of products that are more profitable in most parameters, their sale on more attractive terms for the consumer and taking into account the potential, capabilities and limitations of the enterprise itself, constant search for optimization of production and implementation stages, as well as faster, compared to direct competitors, adaptation to changing internal and external factors of influence and the use of tools to ensure their competitiveness.

6. The analysis of the works of scientists, regarding the determination of the influence of factors on ensuring the competitiveness of both industrial enterprises and small business enterprises, its structure and features of classification (by object of research; nature of occurrence; sphere of action; manageability; level of specialization; competitive level, etc.) allowed to structure the factors of competitiveness depending on the stages of the enterprise's normal activity. So, in our opinion, for more effective management of the competitiveness of the enterprise, external and internal factors must be structured according to the following stages: organizational, marketing, technological, production, sales and financial and investment.

7. The structuring of competitiveness has been supplemented and expanded to five levels of object research (mega-level, macro-level, meso-level, micro-level, nano-level), which cover the levels (competitiveness of international corporations; competitiveness countries; competitiveness of the region, region, certain industry; competitiveness of the enterprise, products) and factors affecting the formation, maintenance and development of the competitiveness of the enterprise. At the same time, it should be noted that in the activities of small business enterprises, the first level (mega level), as a rule, is absent, unlike other levels in connection with the combined activities of enterprises.

8. It is substantiated that the most optimal method of assessing the level of competitiveness for small business enterprises, including in the food industry, there is a combined method that takes into account the limitations characteristic of the enterprise, its condition, the field of activity, the economic situation in the state, its own capabilities and internal resources and reserves, as well as the influence of other external and internal factors Improved structure KEF analysis competitiveness for food industry enterprises, which differs from the existing method by structuring: analysis of the efficiency of the enterprise by adding the following elements to it - analysis of the enterprise's financial activity; analysis of the enterprise's investment activity; analysis of other activities of the enterprise, and instead of the analysis of the effectiveness of marketing services, an analysis of the effectiveness of marketing activities was introduced.

9. The results of the first chapter were reflected in the published scientific works of the author [11-15; 18-19; 21; 23; 108-110; 211-212].

SECTION 2
ANALYSIS OF THE STATE AND EFFICIENCY OF THE FOOD INDUSTRY ENTERPRISES IN THEIR SUPPLY SYSTEM COMPETITIVE CAPACITY

2.1. Analysis of the state of production of the food industry in Ukraine

As shown by previous studies [110, p. 106], urgent issues of the modern effective functioning of industrial enterprises and ensuring their competitiveness, especially in the food industry, are quick and timely resistance to changes in the external environment - the impact of the entire spectrum of globalization processes at all levels of the economic system. Because the level of the country's economy, and thus the standard of living of the population and the degree of satisfaction of their needs, depends precisely on the level of efficiency of their activities and the constant provision of the level of competitiveness of such enterprises.

To ensure the further sustainable development of the country, it is necessary to conduct an analysis and establish the trend of changes in the food industry in recent years. The study of the efficiency of activity and ensuring the competitiveness of food industry enterprises of both Ukraine and Odesa region, for which this industry is the most strategic and budget-forming, is especially relevant in modern times, when many industrial enterprises of Ukraine are unprofitable and have significant problems of functioning not only in the domestic market , but also on the external side during export, therefore they need a detailed study of their condition, methods, tools, processes of such provision and improvement of the efficiency of their activities and competitiveness [110, p. 106; 113-114].

Thus, the analysis of industrial production volumes of enterprises for 2010-2018 showed (Fig. 2.1) that for the most part they are not stable, and after 2012, starting from 2013, they have a steady tendency to decrease compared to the data of the Odesa region, where certain periods of growth in 2013, 2016 and 2017, and in the periods from 2014 to 2015, although they lose significance

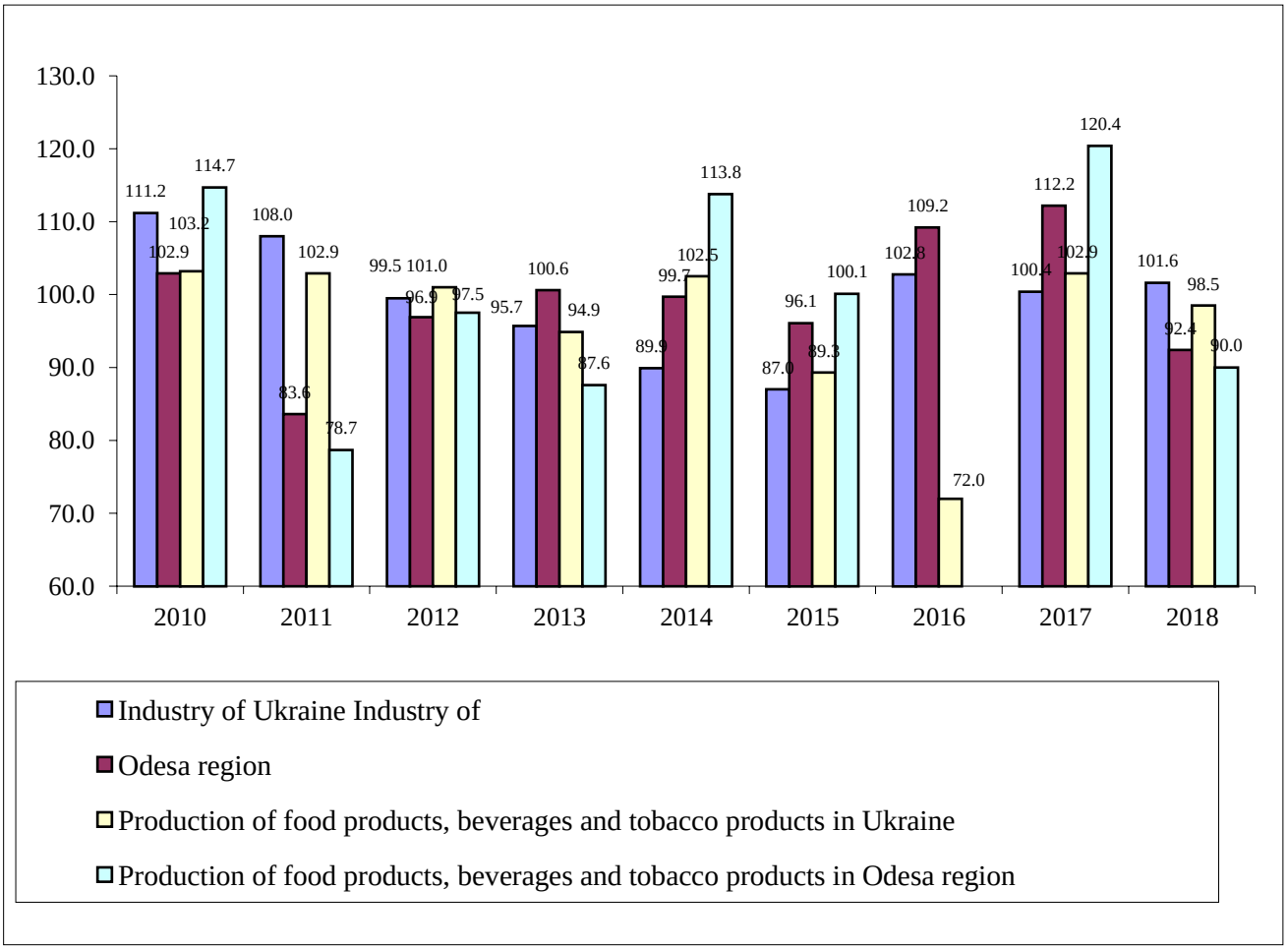


Figure 2.1. Indices of industrial production volumes in Ukraine and Odesa region*;**

* in % to last year

** considered on the basis of [166-167; 168, p. 12; 169, p. 265-268; 170; 171, p. 251-254]

positions compared to 2013, still remain at a higher level compared to the volume of production in Ukraine. This situation persists until 2017 inclusive, but in 2018, compared to 2017, there was a slight increase in the volume of production of industrial products of Ukraine, at a time when a similar indicator in the Odesa region for 2018 experienced a decrease. Regarding the result of the functioning of food industry enterprises, in Ukraine, the peak of growth occurs in 2010 and 2017, and in Odesa region - in 2010 and from 2014 to 2017, at the same time in 2018, a significant decrease in the level of all indicators is observed. A "wave-like" trend of growth, and then a decrease in volumes

production of food products in Ukraine and Odesa region, shows that in any conditions, even in periods of instability and crises, the food industry is a working branch of production [210].

The analysis of the ratio of the number of enterprises in Ukraine in 2017 and 2018 compared to previous years showed (Table B.1 of Appendix B; Table 2.1) that in 2018 the number of food production enterprises in Ukraine increased compared to 2016 by 1.62%, and compared to 2017 by 02.88%. First of all, this happened due to the increase in enterprises for processing and canning of vegetables and fruits (by 10.53% and 8.29%, respectively), production of dairy products (by 9.24% and 5.82%), bread production, bakery and flour products (by 2.89% and 4.78%), from the production of other food products (by 10.25% and 8.00%), also, compared to 2017, the number of meat production enterprises increased and meat products (by 1.19%) and from the processing and canning of fish, crustaceans and molluscs (by 0.48%).

Table 2.1

Ratio of the number of Ukrainian enterprises by type of food industry in 2017 and 2018 compared to previous years*

Indicators	**That's all**		
	2017 in % to 2016	**2018 in % until 2016**	**2018 in % until 2017**
Production of food products, beverages and tobacco products	**99.00**	**101.78**	**102.81**
Production of food products	98.77	101.62	102.88
production of meat and meat products	98.20	99.36	101.19
processing and canning of fish, crustaceans and molluscs	97.18	97.65	100.48
processing and canning of vegetables and fruits	102.07	110.53	108,29
production of oil and animal fats	96.95	96.69	99.74
dairying	103.24	109.24	105.82
production of products of the flour mill and grain industry, starches and starch products	94.92	90.62	95.48

Continuation of the table. 2.1

Indicators	That's all		
	2017 in % until 2016	2018 in % until 2016	2018 in % to 2017
production of bread, bakery and flour products	98.20	102.89	104.78
production of other food products	102.08	110.25	108.00
production of ready feed for animals	103.95	99.28	95.51
***Production of beverages* including:**	102.45	103.56	101.08
distillation, rectification and mixing of spirits	101.67	100.0	98.36
production of grape wines	103.13	92.19	89.39
production of soft drinks; production of mineral waters and other bottled waters	100.36	97.28	96.93

* calculated on the basis of the data in the table. B.1 of Appendix B.

The study showed that the number of enterprises producing oil and animal fats (by 3.31% and 0.26%), producing products of the flour-milling and grain industry, starches and starch products (by 9.38% and 4.52 %), from the production of ready-made feed for animals (by 0.72% and 4.49%) and from the production of beverages, including: distillation, rectification and mixing of alcoholic beverages (by 1.64% in 2018 compared to until 2017), production of grape wines (by 7.81% and 10.61%), production of soft drinks; production of mineral waters and other bottled waters (2.72% and 3.07%).

As can be seen from the data in the table. 2.1, the growth of food industry enterprises in Ukraine is rather unstable, and a negative trend should be noted towards a decrease in the number of enterprises in promising sectors of the food industry and enterprises whose products are most export-oriented, namely: enterprises in the wine industry and enterprises producing oil and animal fats .

The analysis showed that the predominant increase in the number of small business enterprises of Ukraine by types of food industry (Table B.2 of Appendix B) in 2018 is rather insignificant, due to the difficulty for such enterprises to hold on to the market and increase the life cycle of the enterprise, which, as shown research, lasts approximately 2-4 years and is a negative trend. Magnification

extending the life cycle of the enterprise is a primary and difficult task for small business enterprises, due to ensuring competitiveness and the need for certain support and assistance from the state. A significant decrease (by 16.28%) in the number of small business enterprises in the wine industry, with all conditions for the successful development of this industry in the southern regions of Ukraine, and a gradual decrease in the number of small business enterprises in the oil and fat industry and enterprises producing soft drinks, mineral and other waters

Constant jumps are also observed in the analysis of indicators for the production of food products, beverages and tobacco products (Table 2.2).

A decrease in the indices of industrial products in the production of some types of food activities has been gradually observed since 2017 and will continue confidently in 2018. Also, a significant decrease should be noted in 2015. In 2018, in comparison with 2017, it should be noted that the general decrease in the indexes of industrial products from the production of food products by 1.5%.

Table 2.2

Indices of industrial products in the production of food products, beverages and of tobacco products by types of activity in Ukraine (% to the previous year)*

Indicators	**2014**	**2015**	**2016**	**2017**	**2018**
Production of food products, beverages and tobacco products	102.5	89.3	104.4	102.9	98.5
Production of food products	104.6	87.2	106.0	104.2	98.5
production of meat and meat products	100.5	99.8	104.5	101.3	99.1
processing and canning of fish, crustaceans and molluscs	98.7	71.4	115.6	106.8	112.4
processing and canning of vegetables and fruits	102.9	74.6	100.2	105.1	110.4
production of oil and animal fats	121.5	85.8	116.5	118.7	94.5
dairying	100.1	91.2	98.6	102.1	100.4
production of products of the flour mill and grain industry, starches and starch products	100.6	94.6	100.7	99.4	92.5
production of bread, bakery and flour products	89.5	86.9	97.7	96.9	95.3
production of other food products	110.8	79.0	111.5	102.2	98.8

Continuation of the

Indicators	2014	2015	2016	2017	2018
***Production of beverages,* including:**	91.7	88.6	96.1	101.6	103.8
distillation, rectification and mixing of spirits	93.7	93.1	86.0	87.9	96.8
production of grape wines	97.1	122.1	100.7	90.5	96.0
production of soft drinks; production of mineral waters and other bottled waters	93.9	93.2	106.0	114.1	111.4

* compiled on the basis of data [166-170; 171, p. 254]

The analysis of the ratio of production of industrial products of Ukraine by types (Table 2.3) showed that in comparison with 2014, in recent years, more industrial products have been produced by some types. A decrease is observed in the production of fresh or chilled pork by 3.88%, frozen pork by 4.29%, meat of chickens, chickens, fresh or chilled by 28.99%, sausage products and similar meat products, offal or animal blood and similar products and food products based on them (except liver sausage products and ready meals) by 4.62% and other food products. A significant increase is observed in the production of frozen meat of chickens and chickens (more than 2 times), wine with an actual alcohol concentration of no more than 15% (except carbonated, sparkling, and wine with a protected designation of origin) by 51.06% and production natural, non-carbonated waters by 52.50%. A particularly stable increase in production of most types of industrial products was observed during 2016-2017 and slightly decreased in 2018.

Table 2.3

Ratio of production of industrial products of Ukraine by types*

(% until 2014)

Name of products according to the Nomenclature of Industrial Products (NPP), unit of measurement	2015	2016	2017	2018
Beef and veal, fresh or chilled - carcasses, half-carcasses, unboned quarters, thousand tons.	91.24	107.85	106.75	102.74
Fresh or chilled pork - carcasses, semi-carcasses (including those treated with salt or preservatives for temporary storage), thousand tons	101.29	102.59	98.28	96.12

Continuation of the

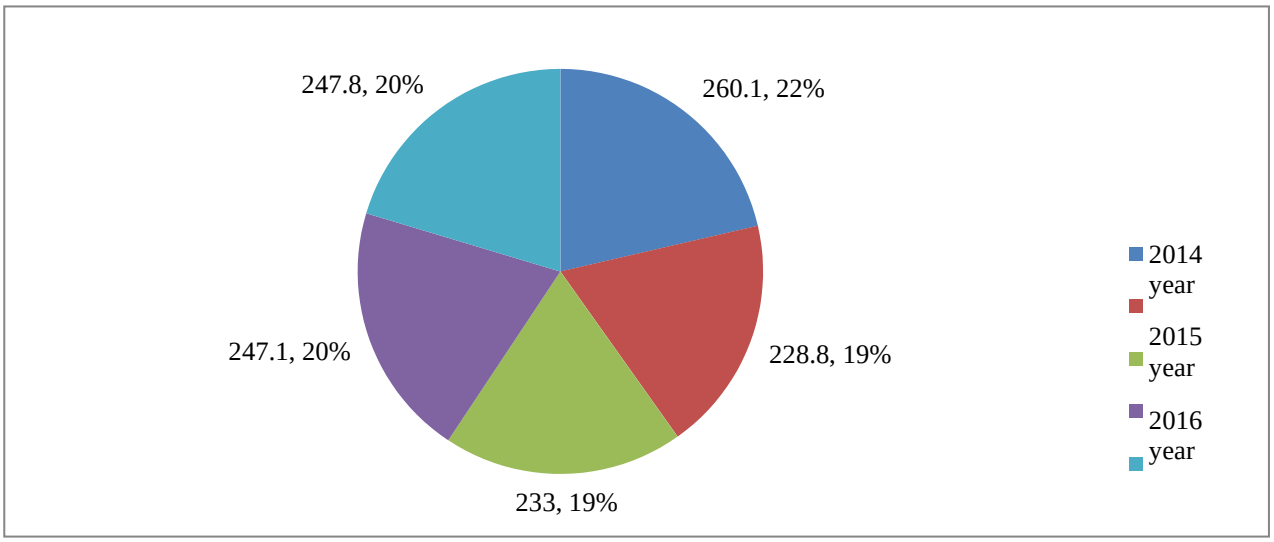
Name of products according to the Nomenclature of Industrial Products (NPP), unit of measurement	2015	2016	2017	2018
Frozen beef and veal - carcasses, half-carcasses, quarters, cuts, thousand tons.	118.97	87.36	105.75	116.09
Frozen pork - carcasses, semi-carcasses, thousand tons.	177.14	105.71	94.29	95.71
Meat of chickens, chickens, fresh or chilled - carcasses, thousand tons.	86.70	78.46	85,11	71.01
Meat of chickens, chickens, fresh or chilled - parts of carcasses, thousand tons.	115.65	120.13	145.69	131.63
Meat of chickens, chickens, frozen - carcasses, thousand tons.	296.52	443.76	157.06	212.68
Sausage products and similar products from meat, offal or animal blood and similar products and food products based on them (except sausage products with liver and ready meals), thousand tons	88.08	89.62	95.00	95.38
Mixtures of fruit and vegetable juices, million liters	80.43	79.57	79.57	78.30
Juice of any one fruit or vegetable, unfermented and without the addition of alcohol (except orange, grapefruit, pineapple, tomato, grape and apple juices), non-concentrated, ml.	64.00	57.71	66,57	72.19
Vegetables (except potatoes), fruits, nuts, mushrooms and other edible parts of plants, prepared or preserved with the addition of vinegar or acetic acid, thousand tons	62.47	57.53	72.35	73.33
Sunflower oil and its fractions, unrefined (except chemically modified), million tons	84.09	100.00	122.73	115.91
Margarine and pasty products with reduced or low fat content (except liquid margarine), thousand t.	106.77	101.50	106.02	103.01
Other food products from fats and oils (including liquid margarine), thousand tons	36.50	38.25	64,45	62,19
Milk and cream, uncondensed and without added sugar or other sweeteners, with a fat content of no more than 1%, in primary packaging with a net volume of more than 2 liters, thousand tons.	89.69	90.86	90.27	86,19
Butter with a fat content of no more than 85%, thousand.	89.38	90.27	95.58	92,92
Wheat or wheat-rye flour, million tons	95.45	90,91	90,91	77.27
Bread and bakery products, short-term storage, million tons	85.71	85.71	78.57	71.43
Uncooked pasta products (except for products containing eggs, with filling or prepared in another way), thousand tons	85.94	94,95	87.33	78.51
White crystalline beet sugar, thousand tons	71.43	95.24	95.24	85.71
Sparkling wine from fresh grapes (except "Champagne" wine; including "Champagne of Ukraine")	133.33	130.56	102.78	94.44
Wine with an actual alcohol concentration of no more than 15% (except carbonated, sparkling, and wine with a protected designation of origin)	142.55	129.79	142.55	151.06
Non-carbonated natural mineral waters	100.00	120.00	126.11	152.50
Natural mineral carbonated waters	88,14	88.50	89.47	103.51

The end of the table. 2.3

Name of products according to the Nomenclature of Industrial Products (NPP), unit of measurement	2015	2016	2017	2018
Water with added sugar and other sweetening or flavoring substances, i.e. non-alcoholic drinks such as lemonade, orangeade (including mineral and carbonated)	95.24	102.86	125.71	137.14

* fragment of the table B.1 of Appendix B

The structure of the production of some main types of food products from 2014 to 2018 is presented in fig. 2.2. - 2.7.

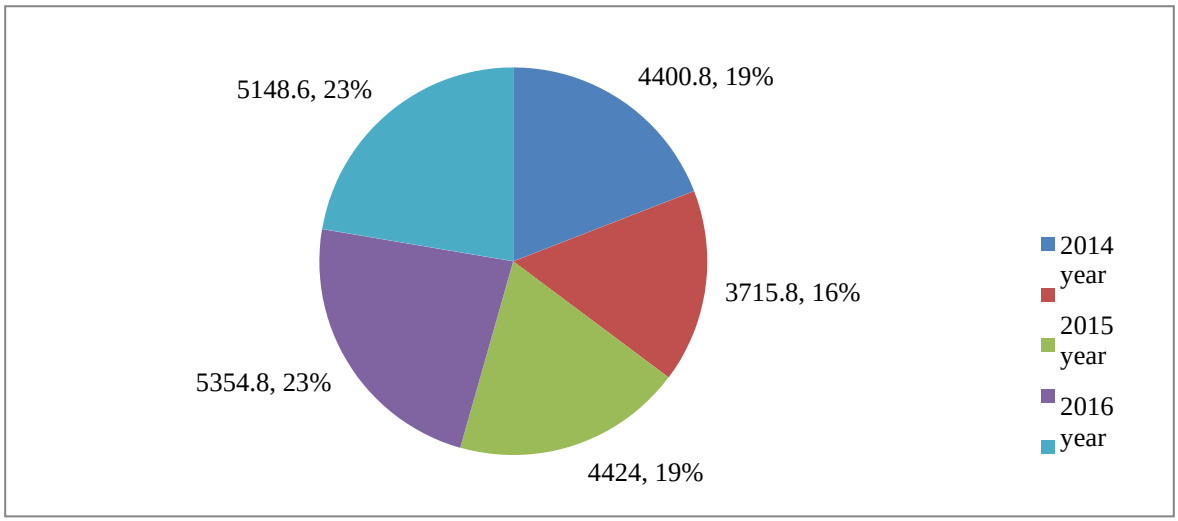


Rice. 2.2. Production of sausage products and similar products from meat, offal or animal blood and similar products and food products based on them in Ukraine*;**

* in thousand tons

** compiled on the basis of data [171, p. 275]

Yes, from fig. 2.2 it can be seen that during the last five years, the production of sausage products and similar meat products in Ukraine is quite stable, although in 2018, compared to 2014, the share decreased by 2%, or by 12.3 thousand tons . The decline in the production of sausage products and similar meat products in Ukraine began in 2015, when the share of production decreased the most and amounted to only 19%, which is 3% less than the previous year. This ten-



Rice. 2.3. Production of sunflower oil and its fractions, unrefined in Ukraine*;**

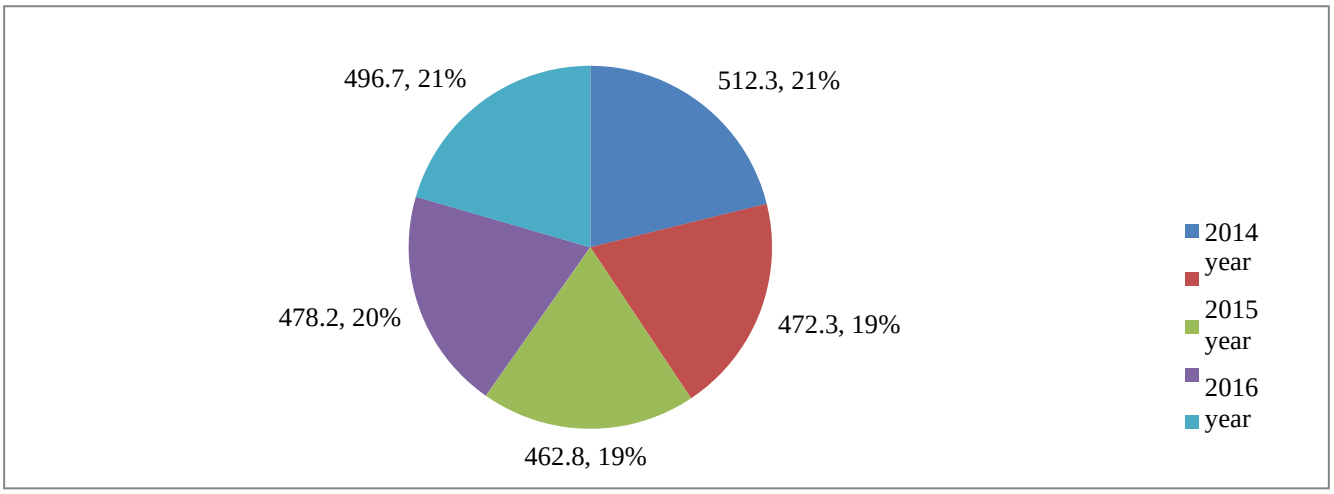
* in thousand tons

** compiled on the basis of data [171, p. 276]

The percentage did not suffer any changes in 2016 as well, and in 2017 the share grew to 20% and amounted to 247.1 thousand tons, which is only 0.7 thousand tons. t. less than in 2018, but still a positive trend.

The situation with the production of unrefined sunflower oil and its fractions in Ukraine is positive, as evidenced by the data in Fig. 2.3. In 2017 and 2018, there is an increase in production, and the share is 23%, but in 2018, compared to 2017, the volume of production decreased by 206.2 thousand tons, which is a negative trend. We can observe the largest decrease in production in 2015, where the volume of production amounted to only 3715.8 thousand tons, and the share was 16%, which by 1432.8 thousand tons. or 7% less than in 2018.

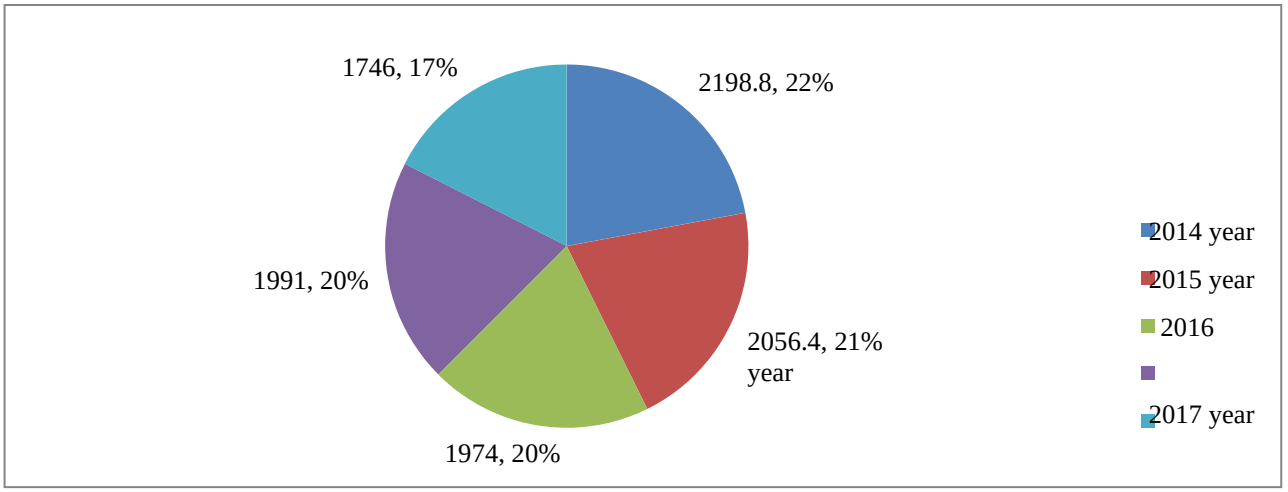
As the data analysis showed (Fig. 2.4), in 2015 and 2016 are also the years of the lowest volume of production of milk and cream uncondensed and without added sugar or other sweeteners, instead 2014 and 2018. - the years of the largest volume of their production. The volume of production in 2018 compared to 2014 is less by 15.6 thousand tons. and more by 18.5 t.t. compared to 2017.



Rice. 2.4. Production of milk and cream, not thickened and without added sugar or other sweetening substances, with a fat content of more than 1%, but not more than 6%, in primary packaging with a net volume of no more than 2 liters in Ukraine*;**

* in thousand tons

** compiled on the basis of data [171, p. 277]



Rice. 2.5. Production of wheat or wheat-rye flour in Ukraine*;**

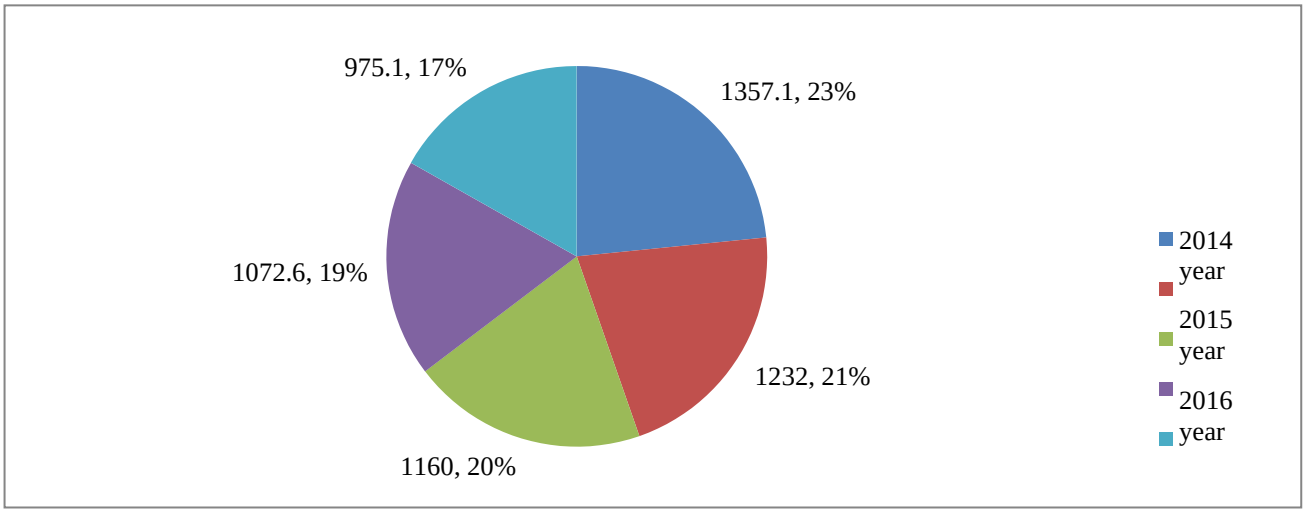
* in thousand tons

** compiled on the basis of data [171, p. 280]

As can be seen from fig. 2.5 the production of wheat or wheat-rye flour in Ukraine in 2018 significantly decreased compared to previous years

and is only 1746 thousand tons, which is a negative trend, as for the state, which has all the conditions for growing grain crops and their further processing into flour.

The decrease in the production of wheat or wheat-rye flour in Ukraine in 2018 led to a significant decrease in the production of bread and bakery products, short-term storage in Ukraine (Fig. 2.6), namely, the volume of bread production in 2018 is only 975.1 thousand tons , which by 2% or by 97.5 thousand tons. less than in 2017 and by 382 thousand tons. or 6% less than in 2014.

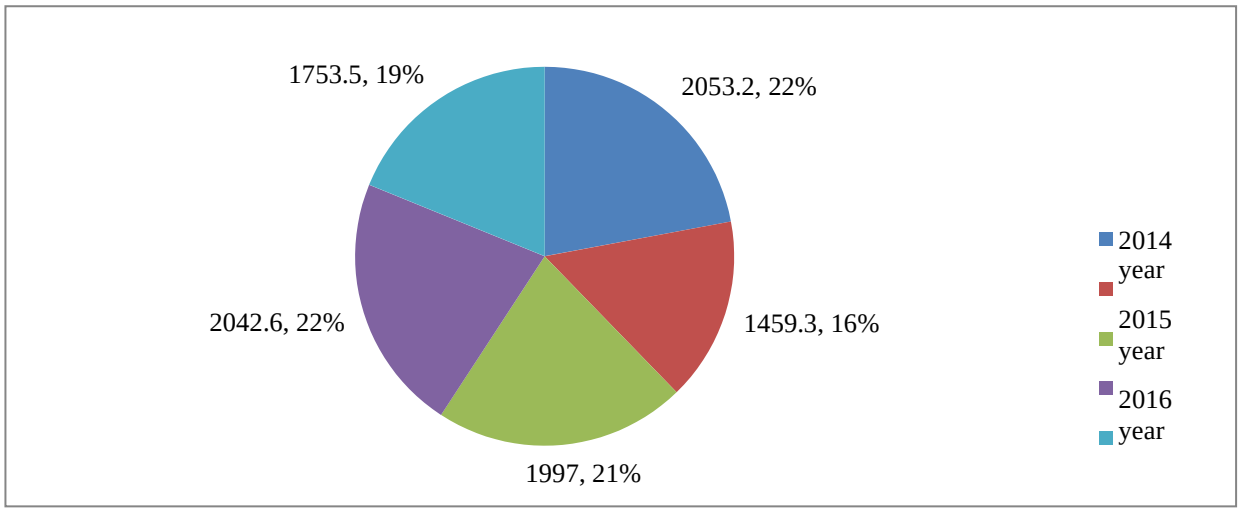


Rice. 2.6. Production of bread and bakery products, short-term storage, in Ukraine*;**

* in thousand tons

** compiled on the basis of data [171, p. 281]

The data analysis showed (Fig. 2.7) that in 2018, compared to 2017, the production of white crystalline beet sugar in Ukraine decreased by 289.1 thousand tons, compared to 2014 by 299.7 thousand tons. which is a negative phenomenon. The largest volume of production of white crystalline beet sugar was observed in 2014 (2053.2 thousand tons) and was as close as possible to the indicator of 2014 in 2017 – 2042.6 thousand tons. This indicator had the lowest value in 2015 and amounted to 1,459.3 thousand tons, which is 294.2 thousand tons. lower than



Rice. 2.7. Production of white crystalline beet sugar in Ukraine*;**

* in thousand tons

** compiled on the basis of data [171, p. 282]

in 2018.

Although fluctuations in the dynamics of the production of some basic types of food products from 2014 to 2018 are insignificant, within the range of up to 7%, in 2018, compared to 2017, for some presented types of basic food products, there was a decrease in their production volumes (Fig. . 2.3, 2.5 – 2.7), and only a slight increase in some (Figs. 2.2 and 2.4).

The volume of sold industrial products, goods and services, including the volume of sales in the processing industry, which in 2018 amounted to 62% of the volume of sold industrial products, goods and services and from the production of food products, beverages and tobacco products (19.4% of of the total sales volume of the industry of Ukraine, which is 1.5% less than in 2017 and 3% less than in 2015) is presented in the table. 2.4. The conducted data analysis showed that the largest share of the volume of sales of manufactured food products, beverages and tobacco products from the volume of sales of industry falls on 2015 and is 22.4%. Over the past three years, there has been a steady trend towards a decrease in the specific weight of sales volumes of food industry products in relation to sales volumes of industrial products, which is a negative phenomenon, since the food industry

Table 2.4

Volume of sold industrial products (goods, services) and food products industry in Ukraine*

Indicators	2015		2017		2018	
	million hryvnias	**in % to the total**	**million hryvnias**	**in % to the total**	**million hryvnias**	**in % to the total**
Industry	1776603.7	100.0	2625862.7	100.0	3018087.5	100.0
Processing industry	1139213.2	64.1	1627504.3	62.0	1872387.0	62.0
Food, beverage and tobacco production products	398023.2	22.4	548377.9	20.9	585159.1	19.4

* compiled on the basis of data [171, p. 257]

fishing is a strategically important industry for Ukraine, which ensures its food security and has all the advantages for development.

Annual gradual increase in investments and renewal of fixed assets of enterprises is a positive factor for the development of enterprises of the food industry of Ukraine. The analysis of capital investments (Table 2.5) showed an increase in the number of investments in the production of food products, beverages and tobacco products in 2018 compared to 2017 by 59.63%, amounting to UAH 30,213 million. (5.22% of all capital investments and 29.95% of capital investments in the processing industry). A sharp decrease in the volume of capital investments in enterprises engaged in the production of food products, beverages and tobacco products was observed in 2017 and amounted to UAH 18,927 million. against UAH 21,291 million. of the same period last year, which is 11.1% lower than in 2016. Also, in 2017, compared to 2016, it should be noted that the share of capital investments in food, beverage and tobacco production enterprises from capital investments in the processing industry decreased by 8.6%. The gradual increase in capital investments in 2018 is a positive factor, but the trend of "jumps" observed during 2014-2018 remains negative, in our opinion.

Table 2.5

Capital investments by types of industrial activity in Ukraine (million hryvnias)*

Indicators	**2014**	**2015**	**in % to 2014**	**2016**	**in % to 2015**	**2017**	**in % to 2016**	**2018**	**in % to 2017**
That's all	219420	273116	124.47	359216	131.53	448462	124.84	578726	129.05
Industry	86242	87656	101.64	117754	134.34	143300	121.69	199896	139.49
Processing industry	42474	46219	108.82	62223	134.63	73884	118.74	100870	136.52
Food, beverage and tobacco production products	13487	13548	100.45	21291	157.15	18927	88,90	30213	159.63

* compiled on the basis of data [171, p. 348, 350]

Analyzing the data in the table. 2.6 it should be noted that the largest increase in capital investments in 2018 compared to 2017 was observed in the Volyn, Kyiv, Kharkiv regions, at the same time, the volume of capital investments in 2018 compared to 2017 in the southern regions (Odesa, Mykolaiv, Kherson) and Khmelnytskyi region were on average lower by 7.73%. This factor is negative for the development of food industry enterprises in these regions.

Table 2.6

Capital investments by some regions of Ukraine (million hryvnias)*

Regions	**2014**	**2015**	**in % to 2014**	**2016**	**in % to 2015**	**2017**	**in % to 2016**	**2018**	**in % to 2017**
Ukraine	**219420**	**273116**	**98.3**	**359216**	**118.0**	**448462**	**122.1**	**578726**	**116.4**
Regions									
Volynsk	3390	6167	137.7	6384	97.5	7042	105.5	8687	112.1
Kyivska	19653	24359	99.0	33411	124.8	34494	94.1	40713	109.8
Mykolayivska	3771	5990	126.1	9730	147.6	11178	108.2	10099	87.4
Odesa	**9361**	**9984**	**79.6**	**16729**	**163.4**	**22300**	**128.8**	**23788**	**95.9**
Poltava	8828	8338	70.0	15265	132.2	15855	133.8	18637	105.5

Continuation of the table. 2.6

Regions	2014	2015	in % to 2014	2016	in % to 2015	2017	in % to 2016	2018	in % to 2017
Ternopilsk	2590	3828	115.2	4888	117.2	7151	142.3	8375	103.7
Kharkivska	8032	11247	109.6	16546	135.9	19362	111.6	23551	109.3
Khersonsk	2208	3107	119.4	4591	135.8	7362	150.7	8853	89.3
Khmelnytska	4078	6809	136.5	9123	123.4	10500	111.6	11275	96.5
Chernivtsi	1687	2789	132.4	2669	85.9	2992	106.4	3721	106.7

* compiled on the basis of data [171, p. 345-346]

The study of data on the activity of Ukrainian food industry enterprises showed that, in general, their development is unstable and shaky, during the years 2010-2018 there were "wave-like jumps" of increase-decrease, both in the volume of production and in the volume of sales of food products. A decrease in the volume of capital investments in the southern regions, including the Odesa region, as a promising region for the development of food industry enterprises, including of food industry enterprises of small business can lead to insufficiently active development and gradual decrease in the production and sale of strategically necessary food products and food products that make up the largest specific export weight, which requires finding the cause of such reductions and finding management solutions to increase competitiveness at food industry enterprises industry, which is necessary, first of all, for the stabilization and further development of the country's economy.

2.2. Study of development trends and analysis of state indicators of food industry enterprises in Odesa region

Odesa region has not only sufficient land resources for the production of food products, a large number of already functioning enterprises of the food and processing industry, a favorable climate, but also good transport and sea junctions, which contributes to the promotion of manufactured products, both in the domestic market of the country and on the outside and contributes to the creation of all conditions for ensuring the efficiency of the enterprise's activity with a significant amount of internal resources

among enterprises and the use of all types of resources, that is why the Odesa region has all the opportunities to bring this industry to a new level [109].

In the Odesa region, one of the primary problems is insufficient financing of food industry enterprises, the lack of own working capital and the presence of unprofitable enterprises that are not efficient in their activities, and this indicator only increases from year to year, which is a negative trend. Even such a promising branch of the food and processing industry for Odesa, as winemaking, has had problems with the efficiency of its operation in recent years, due to the state of the raw material base, the tax burden, changes in the structure of product exports, etc. The lack of a solution to these problems and processes in the activities of enterprises in this industry poses a significant threat to the economic, social and, above all, food security of the state [109].

Analyzing the data in the table. 2.7, it can be noted that in 2018, in comparison with 2016 and 2017, the number of enterprises producing food products, beverages and tobacco products increased. Of them, the number of food production enterprises in 2018 is 307 enterprises, which is 14 more than in 2017 and 54 more than in 2016. The negative is the decrease in the number of beverage production enterprises in the Odesa region from 74 enterprises in 2017 to 63 enterprises in 2018. At enterprises producing food products of the Odesa region, the decrease occurred only in enterprises processing and canning vegetables and fruits - by 2 enterprises and in the production of other food products - by 1 enterprise. A significant decrease occurred among beverage production enterprises of the Odesa region, namely the production of grape wines - by 5 enterprises, the production of non-alcoholic beverages, the production of mineral waters and other bottled waters at enterprises, and the distillation, rectification and mixing of alcoholic beverages - by 2 enterprises , which is particularly negative for Odesa region.

Table 2.7

Number of enterprises of Odesa region by types of food industry*

Indicators	That's all		
	2016	2017	2018
Production of food products, beverages and tobacco products	**325**	**367**	**370**
Production of food products	253	293	307
production of meat and meat products	32	37	44
fish processing and canning, crustaceans and molluscs	17	13	13
processing and canning vegetables and fruits	15	20	18
production of oil and animal fats	25	35	40
dairying	19	17	18
production of flour mill products industry, starches and starch products	43	44	46
production of bread, bakery and flour products	59	67	69
production of other food products	36	50	49
production of ready fodder for animals	7	10	10
Production of beverages	72	74	63
including: distillation, rectification and mixing of spirits	8	5	3
production of grape wines	40	41	36
production of soft drinks; production of mineral waters and other bottled waters	21	25	19

* compiled on the basis of data [66, p. 1]

In the table 2.8 presents the main structural indicators of the development of food industry enterprises. As can be seen from the data in the table, in 2018, compared to 2017, there was a decrease in almost all indicators. Thus, the specific weight of the food industry's sold products in the total volume of industry in 2018 compared to 2017 fell by 3%, the net profit decreased by UAH 83.5 million, and the financial result before taxation decreased by UAH 21.0 million ., which are negative changes. Positive, in our opinion, is the decrease in the share of unprofitable enterprises before taxation by 0.7% and the increase in the level of profitability

Table 2.8

The main structural indicators of the development of enterprises (including small enterprises

business) from the production of food products, beverages and tobacco products in the Odesa region*

Indicators	2014	2015	2016	2017	2018
Volume of sold industrial products, million hryvnias	11691.8	17645.8	28132.6	29983.6	30225.1
The specific weight of the food industry's products sold in the total volume industry, %	32.9	32.3	42.7	40.8	37.8
Indices of volumes of food products industry (before the previous year), %	113.8	100.1	112.7	121.2	h
Capital investments, million hryvnias	299.8	531.1	855.2	512.0	h
Financial result before taxation, million hryvnias	-2000.6	-964.1	446.6	689.2	668.7
Share of unprofitable enterprises before taxation, %	38.6	31.5	28.0	28.5	27.8
Net profit (loss), million hryvnias	-2026.6	-997.3	413.0	679.8	596.3
The level of profitability, unprofitability (–) of operating activities, %	-5.9	-0.9	3.2	4.3	4.8

* compiled on the basis of data [53, p. 1; 66, p. 5; 67; 71]

operational activity of enterprises by 0.5%, but the change in indicators is insignificant.

The analysis of production volumes and its structure (Table 2.9) by individual types of food products in the Odesa region showed that the largest share of the increase in production volumes in 2018 compared to 2017 falls on the following types of products:

Table 2.9

Structure of production of certain types of certain food products and beverages food enterprises of Odesa region*

Indicators	2017 % until 2016	2018 % until 2016	2018 % until 2017
Beef and veal, fresh or chilled - carcasses, half-carcasses, quarters without bone, t	83.56	90,41	108.20
Fresh or chilled pork - carcasses, semi-carcasses (including those treated with salt or preservatives for temporary storage), t	87.69	80.03	91.27

Continuation of the table. 2.9

Indicators	2017 % until 2016	2018 % until 2016	2018 % until 2017
Mutton (including lamb meat), fresh or chilled - carcasses, half-carcasses and cuts, i.e	85.42	64.58	75.61
Food offal of cattle, pigs, rams, sheep, goats, horses, other animals of the equine family, fresh or chilled, t	161.90	152.38	94.12
Meat of chickens, chickens, fresh or chilled - carcasses, i.e	71.43	85.71	120.00
Other pork (including bacon, ¾ pork side, fillet parts and cuts thereof) salted, in brine, dried or smoked,t	94.20	77.62	82.40
Salted, pickled, dried or smoked meat; food flour of fine and coarse grinding from meat or meat products offal (except pork, beef and veal salted, in brine, dried or smoked), t	70.54	65.89	93.41
Liver sausage products and similar products and food products based on them (except ready meals), t	64.77	59.09	91.23
Sausage products and similar products from meat, offal or animal blood and similar products and food products based on them (except for sausage products from liver and ready meals), t	89.85	94.92	105.63
Salted fish, except herrings, i.e	x	x	141.03
Tomato juice, thousand liters	102.18	115.47	113.01
Apple juice, thousand liters	97.93	126.97	129.65
Mixtures of fruit and vegetable juices, thousand liters	113.56	111,13	97.86
Juice of any one fruit or vegetable, unfermented and without the addition of alcohol (except orange, grapefruit, pineapple, tomato, grape and apple juices) unconcentrated, thousand liters	106.79	104.83	98.16
Canned peas without the addition of vinegar or acetic acid (except for ready-made vegetable dishes), i.e	109.66	81.16	74.01
Concentrated tomato puree and paste, i.e	124.03	123.40	99.49
Vegetables (except potatoes), fruits, nuts, mushrooms and other edible parts of plants, prepared or preserved with the addition of vinegar or acetic acid,	118.57	93.54	78,89
Jam, marmalade, mashed potatoes, jellies, jams, marmalade, marmalade, from other fruits and nuts, exposed to heat processing (except for homogenized products), i.e	97.66	133.76	136.96
Sunflower oil and its fractions, unrefined (except chemically modified), i.e	134.46	127.98	95.18
Milk and cream, uncondensed and without added sugar or other sweeteners, with a fat content of more than 1%, but not more than 6%, in primary packaging with a net volume of not more than 2 liters, t	95.33	101.11	106.07
Butter with a fat content of no more than 85%, i.e	97.49	89.54	91.85
Fresh non-fermented cheese (unripened and unaged; including whey cheese and sour milk cheese), t	100.16	75,81	75.68

The end of the table. 2.9

Indicators	2017 % until 2016	2018 % until 2016	2018 % until 2017
Grated, powdered, blue and other unmelted cheese (except fresh cheese, whey cheese and sour milk cheese), t	129.39	120.44	93.08
Coagulated milk and cream, yogurt, kefir, sour cream and other fermented products, i.e	98.20	90.80	92.47
Liquid yogurt and fermented milk are flavored (coagulated milk and cream, yogurt, kefir, sour cream and other fermented products, flavored or with the addition of fruits, nuts or cocoa), t	127.73	149.22	116.82
Rice (whitened) semi-milled or fully milled, polished or not, glazed or not, t	113.04	120.26	106.39
Wheat or wheat-rye flour, i.e	98.76	70.08	70.96
Flour from other cereal crops (except wheat or wheat-rye flour), i.e	42.69	h	h
Cereals (obtained as a result of grinding grains, at least 95 wt.% of which pass through a sieve made of a metal mesh, the mesh size of which is 1.25 mm) and coarsely ground flour from soft wheat and spelled, t	32.04	14.79	46,17
Grains of cereal crops flattened, processed into flakes, husked, tumbled, cut or crushed, t	123.53	88.93	71.99
Bread and bakery products, short-term storage, i.e	91.86	87.73	95.50
Cakes and confectionery products; other bakery products with added sweeteners, i.e	86.66	82.27	94.93
Sweet biscuits (including sandwich biscuits; except partially or fully covered with chocolate or other mixtures containing cocoa), t	71.15	52.17	73.33
Brandy (including "Cognac of Ukraine"), thousand dal	82.40	86.59	105.09
Sparkling wine from fresh grapes (except "Champagne" wine, including "Champagne of Ukraine"), thousand dal	84.20	67.02	79.60
Wine with an actual alcohol concentration of no more than 15% (except carbonated, sparkling, and protected winedesignation of origin), thousand dal	125.80	148.86	118.33
Wine with an alcohol concentration of more than 15% (Port wine, Madeira, Sherry and others), thousand dal	56.75	68.03	119.86
Malt beer (except non-alcoholic beer and beer with an alcohol content of no more than 0.5%), thousand dal	111.53	98.52	88.33
Non-carbonated natural mineral waters, thousand dal	77.60	80.15	103.28
Natural mineral carbonated waters, thousand dal	141.94	191.07	134.62
Water with the addition of sugar and other sweetening or flavoring substances, i.e. non-alcoholic drinks such as lemonade, orange juice (including mineral and carbonated), thousand dal	432.23	571.41	132.20

* compiled on the basis of the table. D.1 of Appendix D

- meat of chickens, chickens, fresh or chilled - by 20.0%;

- salted fish, except herrings - by 41.03%;

- apple juice - by 29.65%;

- jam, marmalade, puree, jelly, jam, marmalade, marmalade, from other fruits and nuts, subjected to heat treatment (except for homogenized products) - by 36.96%;

- wine with an alcohol concentration of more than 15% (Port wine, Madeira, Sherry and others) - by 19.86%;

- water with the addition of sugar and other sweetening or flavoring substances, that is, non-alcoholic drinks such as lemonade, orange juice (including mineral and carbonated) - by 32.0%.

A significant decrease in 2018 compared to 2017 occurred due to a decrease in the production of the following types of products:

- lamb (including lamb meat) fresh or chilled - by 24.39%;

- canned peas without adding vinegar or acetic acid (except ready-made vegetable dishes) - by 25.99%;

- wheat or wheat-rye flour - by 29.04%;

- groats (obtained as a result of grinding grains, at least 95 wt.% of which pass through a sieve made of a metal mesh, the mesh size of which is 1.25 mm) and coarsely ground flour from soft wheat and spelled - by 53.83%;

- grains of cereal crops flattened, processed into flakes, peeled, tumbled, cut or crushed by - 28.01%, etc.

The decrease in production of products that are in demand abroad and have special advantages in production in the Odesa region is particularly worrying, namely: the production of sunflower oil and its fraction, unrefined (except chemically modified) in 2018 compared to 2017 decreased by 4, 82%, and also, there is an intense decrease relative to previous years in the production of sparkling wine from fresh grapes (except "Champagne" wine, including "Champagne of Ukraine") - by 15.8% and 20.4% in 2017 and 2018. p. in accordance.

The study of the volumes of food products sold by enterprises (Table 2.10) showed a significant increase in sales volumes in 2018 compared to 2014. Compared to 2014, in 2018, the volume of sold food products increased by at least 1.5 times, and at most by more than 3.5 times.

Table 2.10

Volume of sold products of Odesa oblast food production enterprises products, beverages and tobacco products (% until 2014)*

Indicators	2015	2016	2017	2018
Production of food products, beverages and tobacco products	**150.92**	**240.62**	**256.45**	**258.52**
Production of food products	149.77	253.92	274.56	276.64
production of meat and meat products	179.05	181.72	214.10	241.09
processing and canning of fish, crustaceans and molluscs	141.91	239.77	h	h
processing and canning of fruits and vegetables	112.59	100.47	125.55	170.66
production of oil and animal fats	165.35	352.26	357.32	357.62
dairying	99.50	128.57	175.65	190.37
production of products of the flour milling and grain industry, starches and starch products	198.49	236.88	299.79	268.31
production of bread, bakery and flour products	135.42	150.18	191.45	115.80
production of other food products	91.72	133.23	173.72	170.27
production of ready feed for animals	257.63	96.19	h	h
***Production of beverages,* including:**	154.42	200.25	201.48	203.51
distillation, rectification and mixing of spirits	125.10	152.04	h	h
production of grape wines	178.71	241.03	250.59	247.87
production of soft drinks: production of mineral waters and other bottled waters	122.17	106.60	161.79	189.39

* compiled on the basis of the data in the table. F.1 of Appendix F

The largest increase in the share of product sales occurred due to the following types of food products:

- production of oil and animal fats (more than 3 times);

- production of dairy products (almost 2 times);

- production of meat and meat products (more than 2 times); production of grape wines (more than 2 times);

- other

Thus, in 2018, compared to 2014, the volume of sales of food products increased more than 2 times and amounted to UAH 24,328.3 million, sales of beverages in 2018, compared to 2014, also increased more than 2 times and amounted to UAH 5,896.8 million.

The decrease in sales volumes of some types of food products in 2018 compared to 2017 is negative, namely:

- production of products of the flour mill and grain industry, starches and starch products (by UAH 119.1 million or 10.50%);

- production of bread, bakery and flour products (by UAH 718.8 million or by 39.52%);

- production of other food products (by UAH 13.5 million or by 2.0%); production of grape wines (by UAH 43.5 million or by 1.08%).

The structure of the sold products of enterprises of the Odesa region for the production of food products, beverages and tobacco products in relation to the total volume of sold products of the industry of the region is presented in the table. 2.11.

Study of the data of the table. 2.11 showed that in 2018, the share of the production of food products, beverages and tobacco products in relation to the total volume of industrial products sold in the Odesa region amounted to 37.8%, which is 3.0% less than in 2017 and 4.9% less than in 2017 % pain is more than in 2014, which is a negative situation, due to a rather significant decrease in indicators in 2018 compared to 2017. The decrease in the share in 2018 compared to 2017 was due to a decrease in the share of both the sale of food products and the sale of beverages by 2.5% and 0.5%, respectively.

Table 2.11

Structure of sold products of food production enterprises,
beverages and tobacco products by type of activity in Odesa region*; **
(% of the total volume of sales of industry in the region)

Indicators	2014	2015	2016	2017	2018
Production of food products, beverages and tobacco products	**32.9**	**32.3**	**42.7**	**40.8**	**37.8**
including in % by 2014	**100.0**	**98.17**	**129.79**	**124.01**	**114.89**
Production of food products	24.7	24.1	33.9	32.9	30.4
including in % by 2014	100.0	97.57	137.25	133.3	123.08
production of meat and meat products	1,2	1.3	1.1	1,2	1,2
processing and canning of fish, crustaceans and molluscs	1,2	1.1	1.5	h	h
processing and canning of fruits and vegetables	3.9	2.8	2.1	2,3	2.9
production of oil and animal fats	12.7	13.7	24.1	22.0	20.2
dairying	0.8	0.5	0.6	0.7	0.7
production of products of the flour mill and grain industry, starches and starch products	1.0	1.4	1.4	1.5	1.3
production of bread, bakery and flour products	2.7	2.4	2,2	2.5	1.4
production of other food products	1.1	0.7	0.8	0.9	0.8
production of ready feed for animals	0.1	0.2	0.1	h	h
Production of beverages	8.2	8.2	8.8	7.9	7.4
including in % by 2014	100.0	100.0	107.32	96.34	90.24
including: distillation, rectification and mixing of spirits	3.5	2.8	2.9	h	h
production of grape wines	4.5	5.2	5.8	5.5	5.0
production of soft drinks: production of mineral waters and other bottled waters	0.1	0.1	0.1	0.1	0.1

* some data are not made public in order to ensure compliance with the requirements of the Law of Ukraine
"On State Statistics" regarding the confidentiality of statistical information;
** compiled on the basis of data [53, p. 3; 66, p. 6].

In the table 2.12 we present data on the financial results (balance) before taxation of enterprises of the Odesa region for the production of food products, beverages and tobacco products. Analyzing the data in the table, it is necessary to note, in 2018, a negative financial result before taxation at enterprises for the production of bread, bakery and flour products (-0.3 million UAH) and for the production of non-alcoholic beverages; production of mineral waters and other waters,

Table 2.12

Financial results (balance) before taxation of enterprises of Odesa region with production of food products, beverages and tobacco products*; **

(million hryvnias)

Indicators	2014	2015	2016	2017	2018
Production of food products, beverages and tobacco products	-2000.6	-964.1	446.6	689.2	668.7
Production of food products	-1819.2	-956.9	353.2	606.5	583.1
production of meat and meat products	-55.5	-30.2	-5.2	-29.8	14.0
processing and canning of fish, crustaceans and molluscs	-8.2	15.9	1.5	h	h
processing and canning of vegetables and fruits	-142.0	-66.4	3.1	68.3	39.6
production of oil and animal fats	-1157.9	-645.6	478.5	613.8	473.9
dairying	-2.0	-1.6	3.1	8,9	5.0
production of products of the flour milling and grain industry, starches and starch products	-115.4	-45.5	14.4	-23.0	34.1
production of bread, bakery and flour products	-58.7	-10.2	7.1	21.5	-0.3
production of other food products	-172.7	-96.0	-104.1	-45.0	11.8
production of ready feed for animals	-106.8	-77.3	-45.2	h	h
***Production of beverages,* including:**	-181.4	-7.2	93.4	82.7	85.6
distillation, rectification and mixing of spirits	-15.3	19.3	1.1	h	h
production of grape wines	-133.6	-27.5	89.0	78.9	69.3
production of soft drinks; production of mineral waters and other bottled waters	-33.2	0.8	2.7	0.3	-0.3

* some data are not made public in order to ensure compliance with the requirements of the Law of Ukraine "On State Statistics" regarding the confidentiality of statistical information;

** compiled on the basis of data [53, p. 4; 66, p. 6].

bottled (- UAH 0.3 million). It should be noted that in 2018, compared to previous years, for many types of food and beverage production, the financial result before taxation increased, which is a positive trend.

The analysis of the net profit (loss) of Odesa Oblast enterprises producing food products, beverages and tobacco products (Table 2.13) showed a decrease in profit by UAH 83.5 million. compared to 2017, which occurred due to a decrease in the net profit of vegetable processing and canning enterprises and

Table 2.13

Net profit (loss) of food production enterprises of Odesa region

products, beverages and tobacco products (million hryvnias) *; **

Indicators	2014	2015	2016	2017	2018
Production of food products, beverages and tobacco products	**-2026.6**	**-997.3**	**413.0**	**679.8**	**596.3**
Production of food products	-1837.4	-975.3	334.6	612.2	528.5
production of meat and meat products	-57.4	-32.2	-7.0	-31.8	12.3
processing and canning of fish, crustaceans and molluscs	-10.4	13.8	-3.5	h	h
processing and canning of vegetables and fruits	-145.4	-72.4	2.5	68.1	38.6
production of oil and animal fats	-1163.7	-647.6	476.3	630.6	433.5
dairying	-3.3	-2.9	1.5	7.2	3.6
production of products of the flour mill and grain industry, starches and starch products	-116.6	-47.7	11.7	-25.9	29.0
production of bread, bakery and flour products	-59.9	-11.3	4.8	19.2	-2.3
production of other food products	-173.9	-97.5	-105.6	-46.8	9.2
production of ready feed for animals	-106.8	-77.5	-46.1	h	h
***Production of beverages,* including:**	-189.2	-22.0	78.4	67.6	67.8
distillation, rectification and mixing of spirits	-18.0	14.5	-2.0	h	h
production of grape wines	-138.5	-37.4	77.7	68.2	56.7
production of soft drinks; production of mineral waters and other bottled waters	-33.3	0.7	2,2	0.0	-0.3

* some data are not made public in order to ensure compliance with the requirements of the Law of Ukraine
"On State Statistics" regarding the confidentiality of statistical information;

** compiled on the basis of data [53, p. 5; 66, p. 7-8].

fruits for 29.5 million hryvnias, production of oil and animal fats for 197.1 million hryvnias, production of dairy products for 3.6 million hryvnias. and production of grape wines for 11.5 million hryvnias.

Thus, in 2018, the net profit (loss) of enterprises of Odesa region for the production of food products amounted to UAH 528.5 million, against UAH 612.2 million. in 2017, which is 83.7 million hryvnias. lower.

IN table 2.14 analyzed profitability from operating room activityfood industry enterprises in Odesa region.

Table 2.14

Profitability of operational activities of enterprises of Odesa region in production food products, beverages and tobacco products (%)*; **

Indicators	2014	2015	2016	2017	2018
Production of food products, beverages and tobacco products	**-5.9**	**-0.9**	**3.2**	**4.3**	**4.8**
Production of food products	-7.2	-3.3	2.8	4.4	5.1
production of meat and meat products	-6.4	0.0	1.5	0.8	3.7
processing and canning of fish, crustaceans and molluscs	6.8	6.3	3.3	h	h
processing and canning of vegetables and fruits	-5.8	1.4	7.3	9.1	5.4
production of oil and animal fats	-9.3	-5.2	3.5	5.4	5.4
dairying	-0.1	0.4	1.5	1.6	1,2
production of products of the flour mill and grain industry, starches and starch products	-3.5	-1.3	2,2	-1.7	3.6
production of bread, bakery and flour products	1.6	1.7	2.1	2.1	12.3
production of other food products	-11.5	-9.2	-12.8	-4.1	-0.5
production of ready feed for animals	-59.6	-26.7	-34.8	h	h
***Production of beverages,* including:**	-1.3	8.3	5.1	4.3	3,4
distillation, rectification and mixing of spirits	3,4	20.0	7.3	h	h
production of grape wines	-2.5	2.9	4.2	4.1	3.7
production of soft drinks; production of mineral waters and other bottled waters	-41.6	1.1	6.5	0.8	-0.1

* some data are not made public in order to ensure compliance with the requirements of the Law of Ukraine "On State Statistics" regarding the confidentiality of statistical information;

** compiled on the basis of data [53, p. 6; 66, p. 10-11].

The study showed (Table 2.14) that in general, food industry enterprises of Odesa region in 2018 are profitable (except for enterprises producing other food products and non-alcoholic beverages; production of mineral water and other bottled water), which is positive

trend, especially in comparison with the negative results of most of the food industry in previous years.

Analyzing the data of the tables on the export and import of food products and beverages in the Odesa region (Table 2.15 and Table 2.16), it is necessary to note a gradual increase in the export of food products from 2014 to 2017, but already in 2018, exports decreased compared to 2017 for 26,485.4 thousand dollars. USA, which is a negative phenomenon. First of all, this happened due to a decrease in the export of fats and oils of animal or vegetable origin by USD 75,188.7 thousand. USA. Also, in 2018, compared to 2017, there was a decrease in the production of the flour mill and grain industry by 2125.5 thousand dollars. USA, production of cocoa and products from it for 54.1 thousand dollars. USA and production of various food products for 174.3 thousand dollars. USA.

Table 2.15

Export of food products, beverages by Odesa region (thousands of US dollars)*

The name of goods according to UKTZED	**2014**	**2015**	**2016**	**2017**	**2018**
That's all	**355651.9**	**363533.3**	**441672.8**	**448503.1**	**422017.7**
Meat and edible offal	236.0	342.7	1226.4	1878.9	1811.6
Fish and crustaceans	66.8	107.6	746.5	833.1	1204.3
Milk and dairy products, poultry eggs; natural honey	7778.7	7678.3	6266.9	8822.5	9191.9
Products of flour mill and groats industry	1170.0	5116.6	2626.9	4366.4	2240.9
Fats and oils of animal or of plant origin	201420.2	221290.3	319437.9	319421.7	244233.0
Meat and fish products	3268.6	1483.4	1359.5	2981.2	5271.6
Sugar and sugar confectionery	1864.2	9340.4	6544.3	6126.1	1234.4
Cocoa and its products	2064.0	930.3	425.7	171.8	117.7
Finished grain products	3671.5	4729.0	3986.7	3880.3	4400.2
Vegetable processing products	7159.9	11018.0	7536.0	9116.1	10665.5
Various food products	3717.3	2170.2	1920.5	1516.6	1342.3
Alcoholic and non-alcoholic drinks and vinegar	42951.8	40165.8	20383.0	32885.5	35997.3
Food residues and waste industry	80282.9	59160.7	69212.5	56502.9	104307.0

* compiled on the basis of data [54, p. 1; 61; 68, p. 1]

Statistical data confirm that in 2018, compared to 2017, there was an increase in the volume of imports of food products and beverages in Odesa region by 493.6 thousand dollars. USA. This happened due to an increase in the volume of imports for almost all items of goods presented in the table. 2.16.

Table 2.16

Import of food products, beverages by Odesa region (thousands of US dollars)*

The name of goods according to UKTZED	**2014**	**2015**	**2016**	**2017**	**2018**
That's all	**254852.2**	**103625.1**	**187778.0**	**208373.5**	**208867.1**
Meat and edible offal	9919.7	191.8	99.3	165.5	622.4
Fish and crustaceans	37572.4	9237.9	14733.9	20256.7	24110.7
Milk and dairy products, poultry eggs; natural honey	645.9	h	156.1	2049.6	176.9
Products of the flour mill and grain industry	557.7	306.9	349.1	403.5	523.4
Fats and oils of animal or vegetable origin	115314.6	51787.2	114649.8	126947.1	107864.1
Meat and fish products	3159.7	2176.6	4018.4	7167.9	8154.9
Sugar and sugar confectionery	5322.3	3023.5	3081.4	2380.7	2493.2
Cocoa and its products	3446.1	2522.0	3815.3	3613.0	3774.4
Finished grain products	10484.2	4254.0	5892.7	6413.3	6441.3
Vegetable processing products	21622.6	5295.5	4936.0	8959.5	12063.6
Various food products	7470.3	4834.4	6583.1	6465.3	5517.1
Alcoholic and non-alcoholic drinks and vinegar	32700.2	15671.4	23732.4	19109.1	32294.8
Food industry residues and waste	6636.5	4323.9	5730.5	4442.3	4830.3

* compiled on the basis of data [54, p. 2; 61; 68, p. 1].

It can be concluded that the volume of export of food products and beverages in the Odesa region is 213,150.6 thousand dollars. The USA exceeds the volume of imports of food products and beverages in the Odesa region, which is a positive phenomenon, both for the Odesa region in particular and for Ukraine as a whole. This fact shows that the Odesa region is able to satisfy the domestic buyer with food industry products of its own production and to direct the surplus to saturate the foreign market and satisfy the needs of the foreign consumer.

In the table 2.17 presents the number of employees and their wages at food industry enterprises in the Odesa region. The largest average number of full-time employees at food industry enterprises in Odesa region was 14,421 in 2014, which is 1,877 more than in 2017 and 3,138 more than in 2018. This trend of a gradual decrease in the average accounting quantity at food industry enterprises is a negative phenomenon, and in view of the gradual increase in the volume

Table 2.17

Number of employees and wages at food production enterprises products, beverages and tobaccoproducts in Odesa region * ; **

Indicators	**2014**	**2015**	**2016**	**2017**	**2018**
The average registered number of full-time employees, persons	14421	12691	12239	12544	11283
Accepted employees, all persons	5752	4034	5396	7682	6300
as a percentage of the average registered number of full-time employees	39.9	31.8	44.1	61.2	55.8
Employees, all persons, left	6842	5442	5904	7970	7625
as a percentage of the average registered number of full-time employees	47.4	42.9	48.2	63.5	67.6
Average monthly salary of one full-time employee, hryvnias	3427	4280	4864	6268	9501
in percentage to:					
middle level in economics	109.5	109.8	101.1	95.8	112.7
corresponding period of the previous year	112.2	124.9	113.6	128.9	151.6
Labor compensation fund, full-time employees, thousand hryvnias	593058.1	651760.7	714318.4	943532.0	3900903.0
Fund of working time per average employee, hours	1901	1904	h	h	h
Worked on average per employee, hours	1710	1697	1747	1763	1753
Coefficient of use of working time, percentage	90.0	89.1	h	h	h

*data are provided for legal entities and separate subdivisions of legal entities with 10 or more employees;

* compiled on the basis of data [55, p. 1; 62; 69, p. 1].

of sold products, may indicate a negative state of activity and its low efficiency, which requires a reduction in personnel with a reduction in the scope of activity

production Low wages and inappropriate working conditions lead to layoffs and high staff turnover. In our opinion, it is the inappropriate working conditions and low wages that are evidenced by the high percentage of employees who left, which is 67.6% in relation to the average registered number of full-time employees.

Analysis of capital investments in the Odesa region (Table 2.18) shows a gradual increase in investments in food industry enterprises of the Odesa region.

Table 2.18

Capital investments by types of food industry by enterprises

Odesa region (thousand UAH)*; **

Indicators	2014	2015	2016	2017	2018
Production of food products, beverages and tobacco products	**299816**	**531143**	**855201**	**511579**	**608999**
food production	191679	430345	681819	385449	466783
production of meat and meat products	14637	8081	16025	9623	20507
processing and canning of fruits and vegetables	14237	27373	23563	46538	111917
production of oil and animal fats	119955	331088	581972	217634	192470
dairying	17580	28936	20192	19930	16510
production of products of the flour mill and grain industry, starch and starch products	6931	13694	13597	27722	80146
production of bread, bakery and flour products	15735	12419	21089	42638	22061
production of other food products	1289	5783	4263	15173	16150
***beverage production,* including**	108137	100798	173382	126130	142216
distillation, rectification and mixing of spirits	78517	39156	62192	h	h
production of grape wines	26807	57039	105367	95007	113380
production of soft drinks: production of mineral waters and other bottled waters	2680	3106	5098	2067	2604

* some data are not made public in order to ensure compliance with the requirements of the Law of Ukraine
"On State Statistics" regarding the confidentiality of statistical information;

* compiled on the basis of data [56, p. 1; 63; 70, p. 1].

The most investments were received by enterprises producing meat and meat products (by UAH 10,884,000 more than in 2017), processing and canning of fruits and vegetables (by UAH 65,379,000 more than in 2017), manufacturing products of the flour mill and grain industry, starch and starch products (by UAH 52,424 thousand more than in 2017), from the production of other food products (by UAH 977 thousand more than in 2017), from the production of grape wines (by 18,373 thousand UAH more than in 2017) and production of soft drinks: production of mineral waters and other bottled waters (537 thousand UAH more than in 2017). The decrease in 2018 compared to 2017 of capital investments in the production of oil and animal fats by UAH 25,164 thousand is negative.

Indices of capital investments in the Odesa region and direct foreign investments (share capital) in the Odesa region are presented in the table. 2.19 and 2.20.

Table 2.19

Indices of capital investments in the food industry in Odesa region*

(% to the previous year)

Indicators	**2014**	**2015**	**2016**	**2017**	**2018**
Industry	**73.3**	**81.0**	**173.1**	**112.0**	**97.5**
Production of food products, beverages and tobacco products	36.0	90.2	234.2	53.7	129.6
food production	27.5	109.7	250.4	52.2	119.5
beverage production	81.4	55.0	175.8	61.4	173.8

* compiled on the basis of data [56, p. 3; 63; 70, p. 3].

The study showed (Table 2.19) that in 2018, compared to 2017, due to the crisis situation in the country, there is a tendency to decrease investments in the industry of Odesa region. In contrast to the decrease in the volume of capital investments in industry, the production rate of food products, beverages and tobacco products in 2018 was 129.6% compared to 2017. In our opinion, this confirms the strategic necessity and perspective of the development of this industry in any conditions.

Table data. 2.19 are confirmed by the data in the table. 2.20, in which a rather high share of foreign investment is traced specifically to the food industry of the Odesa region, for which this industry is the most promising for further development and further improvement of functioning.

Table 2.20

Foreign direct investment (share capital) in the industry of Odesa region*

(thousands of US dollars)

Indicators	**On 01.01.2016**	**On 31.12.2016**	**On 01.01.2017**	**On 31.12.2017**	**On 01.01.2018**	**On 31.12.2018**
Industry	540879.4	524681.4	519094.5	540550.7	543976.7	536106.8
Production of food products, beverages and tobacco products	139219.3	140669.5	135719.3	122598.7	131519.8	131353.6

* compiled on the basis of data [56, p. 3; 63; 70, p. 3].

The analysis of the state and dynamics of the food industry of the Odesa region revealed a certain instability of the development of its enterprises and their high dependence on external influencing factors and the inability to adapt with sufficient speed to the realities they face.

A sharp decrease in most indicators in 2017 is negative, and improvements in 2018, characterized by an increase in most indicators, are, in our opinion, quite insignificant and shaky. This trend characterizes the instability of industrial enterprises in general and food industry enterprises in particular and confirms the need to attract attention from the state for its intervention in the process of improving operating conditions and the process of providing greater opportunities for the development of food industry enterprises of the Odesa region, including small business enterprises of the food industry. In our opinion, support from the state is especially necessary for enterprises of such types of food industry activities in the Odesa region as:

- from the production of oil and animal fats;
- from the production of products of the flour-milling and grain industry;

- from the production of bread, bakery and flour products;
- processing and canning of vegetables and fruits;
- from the production of grape wines;
- from the production of soft drinks, mineral and other waters;
- from the production of other food products.

Partial indicators, What characterize state enterprises foodindustry of Odesa region for 2014-2016 presented in the table. 2.21. and 2.22.

Table 2.21

The main indicators of the development of food production enterprises, beverages and tobacco products in Odesa region*

Indicators	2014	2015 year		2016 year		
	The value of the indicator	The value of the indicator	Absolute deviation until 2014.	The value of the indicator	Absolute deviation until 2014.	Absolute deviation until 2015.
Volume of sold industrial products, million hryvnias	11691.8	17645.8	5954	28132.6	16440.8	10486.8
The specific gravity of the industrial products sold in the total industrial volume, %	32.9	32.3	- 0.6	42.7	9.8	10.4
Indices of volumes of food industry products (before the previous one year), %	113.8	100.1	- 13.7	112.7	-1.1	12.6
Capital investments, million hryvnias	299.8	531.1	231.3	855.2	555.4	324.1
Financial result before taxation, million hryvnias	- 2000.6	- 964.1	1036.5	446.6	2447.2	1410.7
Share of unprofitable enterprises before	38.6	31.5	- 7.1	28.0	- 10.6	- 3.5

taxation, %						

Continuation of the table.

Indicators	2014	2015 year		2016 year		
	The value of the indicator	The value of the indicator	Absolute deviation until 2014.	The value of the indicator	Absolute deviation until 2014.	Absolute deviation until 2015.
Net profit (loss), million hryvnias	- 2026.6	- 997.3	1029.3	413.0	2439.6	1410.3
Profitabilityope rational activity, %	- 5.9	- 0.9	5	3.2	9.1	4.1

* Compiled by the authors based on [53, p. 1]

Partial indicators, What characterize state enterprises foodindustry of Odesa region for 2017-2018 presented in the table. 2.22.

Table 2.22

Main indicators of the development of food production enterprises, beverages and tobacco products in Odesa region*

Indicators	2017 year			2018 year		
	The value of the indicator	Absolute deviation until 2014.	Absolute deviation until 2016.	The value of the indicator	Absolute deviation until 2014.	Absolute deviation until 2017.
Volume of realized industrial products, million hryvnias	29983.6	18291.8	1851	30225.1	18533.3	241.5
The specific gravity of realized industrial products in the general industrial volume, %	40.8	7.9	-1.9	37.8	4.9	-3
Indexesvolumes of food industry products (up to the previous year), %	121.2	7.4	8.5	h	h	h
Capital investments, million hryvnias	512.0	212.2	-343.2	h	h	h

Continuation of the table.

Indicators	2017 year			2018 year		
	The value of the indicator	Absolute deviation until 2014.	Absolute deviation until 2016.	The value of the indicator	Absolute deviation until 2014.	Absolute deviation until 2017.
Financial result before taxation, million hryvnias	689.2	2689.8	242.6	668.7	2669.3	-20.5
The share of unprofitable enterprises before taxation, %	28.5	-10.1	0.5	27.8	-10.8	-0.7
Net profit (loss), million hryvnias	679.8	2706.4	266.8	596.3	2622.9	-83.5
Profitabilityope rational activity, %	4.3	10.2	1.1	4.8	10.7	0.5

* Compiled by the authors based on [66, p. 5]

The assessment of the volume of sales of products in the Odesa region for 2014-2018 shows that in 2015, compared to the previous year 2014, the volume of sold industrial products increased by UAH 5,954 million, in 2016, compared to 2015, the indicator increased by 10,486, 8 million hryvnias, in 2017 there was an increase of 1,851 million hryvnias. compared to the previous year, and in 2018 by UAH 241.5 million. In 2016, compared to 2014 and 2015, the share of loss-making enterprises before taxation decreased by 10.6% and 3.5%, respectively. According to the table 2.22, the share of unprofitable enterprises before taxation decreased by 10.8% compared to 2014, and by 0.7% compared to 2017. In 2018, compared to 2017, net profit (loss) from operating activities decreased by UAH 83.5 million and amounted to UAH 596.3 million. In 2018, compared to 2014, profitability from operating activities
increased by 10.7%, and compared to 2017 by 0.5%, remaining at the level of 4.8%.

State support for food industry enterprises will ensure the stabilization and further development of enterprises in this industry, which, in our opinion, is

strategic and budget-forming, as well as the one that most affects the quality and standard of living of the population and will allow to raise the economic and social level of the country.

SECTION 3
DIRECTIONS OF ORGANIZATIONAL AND ECONOMIC SECURITY OF COMPETITIVENESS OF SMALL BUSINESS ENTERPRISES IN FOOD INDUSTRY OF THE ODESSA REGION

3.1. Application of tools for ensuring the competitiveness of small business enterprises

In the conditions of economic instability and constant changes in the functioning of enterprises, both in its internal and external environment, in the period of increased competition between manufacturing enterprises, it is necessary to search for new organizational tools to ensure and increase the level of competitiveness in food industry enterprises, including tools of marketing activity. The solution to this issue is especially important for small business enterprises, as the most mobile sector of the country's economic activity and at the same time, the most unprotected and unstable, but oriented specifically to a certain consumer and his needs.

A previous study showed [111; 106, p. 291] that the foreign experience of public-private partnership shows the effectiveness of promoting the development and implementation of new technologies, the development and efficiency of small business enterprises and private entrepreneurs. Thus, on the basis of various cooperative agreements of private industrial enterprises, universities, scientific research laboratories, other organizations and government departments of the United States with the aim of increasing the level and promotion of scientific research (with state funding of priority areas of such research), there is an opportunity for national companies to resist tough market competition and is a way of state support for national private business. Research in the direction of the development of legislation in the field of public-private partnership in the housing and communal economy of Ukraine, based on the support of energy-saving technologies, allowed N.L. Shlafman identifies three methods of its organization (cluster, centralized,

decentralized) and three types of such outsourcing (with a full package of services; with a certain type of services: energy audit, project implementation management, project commissioning, project monitoring and other services; outsourcing that does not involve the use of investment resources, guarantees of involvement, post-project maintenance by energy service companies) [111, p. 62; 199; 106, p. 292]. The most common types of outsourcing are the main characteristics of which are listed in the table. 3.1 compiled by the author [106] based on sources [49; 101; 114; 157-
158; 179; 194].

Table 3.1

The main types of outsourcing [106, p. 292]

Kinds	Characteristic
IT outsourcing	IT outsourcing is the transfer of part of the main processes to third-party organizations. For example, technical support and service - to IT companies, transport - to car companies, health care - to medical institutions (definition of The Economist Pocket Handbook on Strategy). The optimal solution for most enterprises in the manufacturing and non-manufacturing spheres of the economy, based on an agreement on the introduction of new information technologies, which contributes to the reduction of own costs for their independent implementation; maintenance of information systems, computer equipment and local networks; training of the customer's personnel in working with information systems; creation and support of web projects; audit of the quality, functionality and security of the company's IT infrastructure; IT consulting; custom software development.
	Full IT outsourcing - a type of IT outsourcing, in which the outsourcing company assumes responsibility for solving all issues that arise, one way or another related to IT technologies at a given enterprise, is a new phenomenon on the IT services market , especially regulatory effects for large enterprises that are not interested in maintaining their own staff of IT specialists.
IT outsourcing	Global outsourcing of information technologies and systems, which forms the basis of an important sufficient condition for business globalization - the development of a global communication network.
Outsourcing of business processes	Outsourcing the maximum number of supporting processes and a certain part of them (for example, audit of the company's financial condition, advertising, marketing consulting, management of information technology infrastructure, Internet projects, etc.), while part of the processes is carried out independently. This is related to the strategic goals of the development and activity of the enterprise, the presence of outsourcers on the market (willing to perform such services) and protection of information about the activities of the enterprise and its partners (for example, suppliers and buyers).
Production (industrial) outsourcing	The transfer to another enterprise (organization) of a part of the existing chain of production processes or the entire cycle of production or sales of a number of the company's own branches, and further interaction with them takes place directly within the framework of outsourcing.

The mechanism for preserving the activities of small businesses in the food industry and ensuring the efficiency of their activities and competitiveness on the basis of a soft transformation of their activities is a type of industrial outsourcing, such as contracting or subcontracting, to the study of which such foreign scientists as Belokrylov K. A., Valentin Zh., Williamson O., Gottshal P., Dobronravov A.N., Druckera P., Dryakhlov E., Enright M., Ignatiev V., Kazanskyi A., Kalendzhian S.O., Kiselyov A. N., Kotler F., Coase R, Lazarev A., Melnichuk G., Mesiaseva, North D., N., Peres H.K., Porter M., Haywood J.B., Khristoforova L.V., Schumpeter Y., Yarosh O., and others. The following authors deal with the formation of cooperative relations in Ukraine: Antonyuk D.A., Babii M.A., Varnaliy Z.S., Voinarenko M.P., Kichuk O.S., Kondratyeva T.V., Reshetnikova I.L. ., Shlafman N.L. etc. However, it should be noted that among the authors there is no ambiguity in the interpretation of the concept of subcontracting.

Studies have shown that currently sufficient attention is paid to the study of the subcontracting tool as a component of outsourcing, its structural aspects and the relationship with industrial enterprises. We agree with L.V. Khristoforova, that it is necessary first of all to consider the concepts of subcontracting and outsourcing in more detail, to study their theoretical aspects, to study the mechanisms of work, since the effectiveness of subcontracting as such depends decisively on the functioning of the mechanism and principles of work of subcontracting [187].

In Ukraine, the concept of "subcontracting" is mostly found only in practice, but it is not popular in the application of the activities of enterprises of various forms of organizations and in the economy of the country as a whole, the lack of a legal basis for its implementation is also a disadvantage. We believe that one of the most important reasons preventing the introduction and development of subcontracting in Ukraine is the insufficient theoretical study of this problem, the peculiarities of the concept and mechanisms of functioning of subcontracting, and the economic justification of the effectiveness of its application for the activities of enterprises.

Thus, in scientific literature there are different approaches to defining the essence of a category "subcontracting", for example, as "a method of organizing production that uses the division of labor between the customer (contractor) and suppliers (subcontractors)." At the same time, the customer is most often understood as the main enterprise, and the suppliers are specialized enterprises that produce various types of components [187].

In the scientific publication of A.N. The Dobronrav subcontract system is defined as "one of the forms of cooperation between small and large business enterprises" and it is emphasized that this method allows to ensure high production efficiency due to the rational use of available resources [52]. The general definition of the essence of this category can be presented as "a form of industrial cooperation in which the contractor company orders the subcontractor company to develop or manufacture certain products or to perform certain technological operations in accordance with the specified requirements, allowing to optimize production due to a more rational organization" [176] .

Thus, the General Directorate of Entrepreneurship of the European Commission defines industrial subcontracting as "an agreement under which an enterprise, called "subcontractor", authorized by another company - the main one

"contractor", to provide the latter with goods and services that he will use for his own commercial purposes, often, but not always, incorporating these goods or services into his general whole" [120, p. 77]. The French standardization association AFNOR provides the following definition of subcontracting [120; 182]: "Subcontracting is one or more operations on the development and (or) production of a product, which the enterprise, called the customer, entrusts to the enterprise, called the subcontractor. The subcontractor undertakes to follow exactly the instructions and technical specifications of the customer. The customer retains responsibility for the final product or its components." A group of authors [120] offers the following definition of subcontracting: "Subcontracting is a type of business partnership, which provides for such cooperation of small enterprises, under which a large enterprise on the basis of a contract (contract) places an order, determines

product specification, provides raw materials or semi-finished products for further processing, and contractors (small firms) carry out partial or final processing of the provided material. At the same time, a large enterprise can conclude a contract either for the production of a finished product without its own participation in its production (commercial option), or for the participation of small firms in certain stages of the technological process (production option)" [120, p. 77].

M. Best [25; 120, p. 77] believes that subcontracting is "a way of organizing production, which is based on the division of labor, technological specialization and is designed for long-term cooperation between large enterprises and small and medium-sized suppliers of components and services", and I.V. Petrishchev [120, p. 77; 147] considers subcontracting as "the presence of a main enterprise-"contractor" and many small enterprises-"subcontractors" that specialize in the performance of a limited number of production processes and strive to meet high requirements for product quality." Similar definitions are given by other authors, but we agree with the opinion of L. V. Khristoforova that they all suffer from a certain

the "mechanistic" approach, since when constructing a definition, they turn not so much to the essence of the phenomenon, but to the mechanism of its practical implementation, therefore there are grounds for conducting an in-depth analysis of the essential aspects of this concept [187].

The analysis of world experience allowed Avdienko Ya.A. [1, p. 6-7] identify three models of the development of subcontractual relations, namely the American, Japanese, and European (mixed) model and present their main differences (Table 3.2). It should be noted that there is also some difference in the approaches to the interpretation of the category "subcontracting" among scientists from Europe and the CIS countries, so it is possible to distinguish the European approach to interpretation and the approach of domestic scientists and scientists from the CIS countries. The European approach characterizes the definition of the term "subcontracting" as a type of business partnership, the interaction of small and large enterprises with the help of a contract or agreement [120, p. 78]. Scientists of the CIS [120, p. 78] define the concept of "subcontracting" more as a mechanism, operation, method or tool by means of which cooperation and interconnection of small, medium and large enterprises takes place

Table 3.2

Comparative characteristics of subcontracting models according to Ya.A. Avdienko. [1, p. 7]

Comparison sign	American model	Japanese model	European model
Criteria for selecting an order executor	Price, order fulfillment period, flexibility of contractual relations	Quality, reliability of partners, level of know-how	Quality, order fulfillment time
Duration of relations between cooperation partners	Short-term relationships within one specific order	Long-term trust relationship	Relatively short-term relationships within the framework of specific projects (long-term - in the presence of specific assets)
Structure of relationship building	Horizontal structure – one large contractor and a circle of small subcontractor enterprises performing final production operations	Hierarchical system (pyramid): contractor – two or three levels of subcontractor firms	Multidimensional matrix model (combined schemes)

th business. Some of the authors, with whom we agree, consider "subcontracting" to be one of the forms of production (industrial) outsourcing, but there are also those scientists who do not agree that subcontracting is a part of production (industrial) outsourcing [120, p. 78].

On the one hand, it is impossible not to agree with the definition of subcontracting as a certain form of cooperation, but on the other hand, it is also necessary to consider the very concept of cooperation in more detail, since if subcontracting is one of the forms of cooperation, then a fair question arises about its other forms [187]. One cannot but agree with L.V. Khristoforova, regarding the fact that in the modern conditions of the development of the global economy, the system of industrial cooperation is one of its most important elements, and precisely based on this, it is necessary that the cooperation itself, for its improvement, should consider and use all economic innovations and opportunities of the world industrial systems. Another characteristic feature of cooperation is that it practically forms new economic spaces, and not

is simply a union of several enterprises. The most popular form of cooperation at industrial enterprises, it is this that gives direction to the creation and unification of small and medium-sized industrial enterprises in various countries that exist, develop and improve based on the established conditions, requirements and limitations of industrial cooperation [187]. The comparative characteristics of the main types of production cooperation are presented in the table. 3.3.

Table 3.3

Comparison of the terms "outsourcing", "franchising", "subcontracting"*

<table>
<tr><th colspan="2">Types of cooperatives</th><th>The principle of interaction</th><th>Subjects interaction</th><th>Purpose of interaction</th><th>Management</th></tr>
<tr><td rowspan="2">Outsourcing</td><td>- IT outsourcing;
- ITC-outsourcing;
- Outsourcing of business processes;</td><td rowspan="3">interactions are built on the principle of separation and specification</td><td>Large, medium, small, enterprises of various industries</td><td>Concentration of efforts on existing resources that require increased attention</td><td>Management by the customer is possible</td></tr>
<tr><td>- Manufacturing (industrial outsourcing), incl. subcontracting</td><td>Large, small, medium enterprises, mostly industrial</td><td>Increasing production efficiency and competitiveness of manufactured products</td><td>Strict control over the quality and production of products on the part of the customer</td></tr>
<tr><td colspan="2">Franchising</td><td>Large, small, medium-sized enterprises, mainly trading and providing services</td><td>The development of mainly trade relations</td><td>Management by the customer is possible</td></tr>
</table>

* compiled by the author based on sources [120, p. 77; 147, p. 169; 187]

Analyzing the table. 3.3 it can be noted that according to the first two criteria, the given forms of cooperation are very similar, namely, they consist of interaction and cooperation between large, medium and small business enterprises and are built on the principles of separation and specification. According to the fourth criterion, such forms of cooperation as outsourcing and franchising have similar characteristics. Subcontracting, as one of the forms of industrial outsourcing, is markedly different from such criteria as "purpose of interaction" and "management"

outsourcing and franchising. It should be noted that subcontracting is focused on industrial enterprises, therefore, in our opinion, it is the most desirable for use in small business enterprises of the food industry.

The system of cooperation has a significant history of development and a considerable theoretical basis, which nowadays affects various forms of cooperation itself, these forms arose based on constant requirements for the improvement of already existing forms and systems for their practical use in the conditions of constant development of the world economy. And a special feature of cooperation, in our opinion, is that it attracts attention not only from the industrial community, but also should arouse certain interests from the state authorities [111].

To consider the specifics of outsourcing and subcontracting, it is necessary to clarify the definition of several basic concepts, such as "outsourcing",
"contractor", "subcontractor" and "cluster" [111].

A holistic or systemic approach to the final definition of the term
"outsourcing" does not have, but the main definitions are given in the table. 3.4, which shows that all definitions are similar and have a single direction or basis. Thus, outsourcing is used by companies for their own interests, namely, first of all, to increase competitiveness and reduce production costs and consists in transferring certain "narrow" tasks to other enterprises, most often to small and medium-sized enterprises, which have certain highly qualified personnel at their disposal [76 ; 103].

The contractor is "the main enterprise with the minimally necessary own production capacity, where only the most profitable production processes, which critically affect the quality of products, are kept." Subcontractor -
"a specialized enterprise, most often small or medium, which produces components or performs works and services to the order of a contractor." Cluster -
"a group of interrelated companies concentrated in some territory, which complement each other and strengthen the competitive advantages of individual companies and the cluster as a whole" [90-91; 176].

Table 3.4

Basic definitions of the term "outsourcing"*

Definition	Author, source
Execution of certain functions or business processes by an external organization that has the necessary resources for this, based on a long-term agreement.	Anikin B.A. [3]
Transfer certain auxiliary functions third side which specializes in this field.	Ayvazyan Z.S. [4]
Delegation of rights to provide non-core services to third-party companies. Means deep specialization in the middle of "friendly" companies to increase the efficiency of each of them.	Lazarev A. [116]
Refusal of one's own business process within the term specified in the contract and purchase of services for the implementation of this business process from another company.	Kalenjian S.O. [92]
A tool for strengthening the company's competitiveness by focusing on key competences, functions and (or) business processes for the company, taking into account market conditions. In this case, the business process must be understood as a set of interconnected functions and types of production activities aimed at achieving a certain result.	Mykalo O.I. [134]
An organizational solution that consists in transferring both individual functions and business processes to external organizations for the purpose of optimizing all types of resources and concentrating efforts on the main activity.	Lysenko T.I. [121]
The transfer of an internal business unit or business units and all related assets to a service provider organization that offers to provide a specific service for a specified period of time at an agreed price.	Heywood J.B. [188]
It means that you are paying someone for work done for your company.	Anderson E., Trinkle B. [6]

*compiled by the author based on sources [3-4; 6; 92; 111; 116; 121; 134; 188].

In modern conditions of enterprise management, outsourcing and one of the main forms of production (industrial) outsourcing - subcontracting, are gaining more and more popularity in practice in foreign countries, where these forms are recognized as an effective way of organizing and optimizing production and are an important tool in increasing the competitiveness of enterprises industry This is due to the fact that large enterprises attract small and medium-sized enterprises, which become for

them as subcontractors, to perform non-profiled, specific and auxiliary works, services and thereby achieve optimization of production, reduction of production costs and production terms, improvement of the quality of manufactured products, and small and medium-sized enterprises receive the necessary investments, long-term orders from large enterprises and the state, as well as get the opportunity to access the necessary resources, without significant costs for themselves.

The conducted research makes it possible to highlight the main advantages that determine the possible result for small business enterprises in the food industry:

– obtaining the opportunity to increase the level of utilization of equipment, increase the level of production and, as a result, ensure a high level of production productivity of a small business enterprise;

– the possibility of optimizing the production process and increasing the competitiveness of both individual small business enterprises in the food industry, as well as the region and the country in general.

Such justification of the need to develop this form of business is possible with the help of important factors, namely [176]:

– the possibility of optimizing the search for partners due to the introduction of databases, which reduces the costs of small enterprises for the search for partners by 20-40%;

– exchange of experience as a driving force in the development of industry, technology and the economy as a whole.

The main advantages for contractors and subcontractors are listed in the table. 3.5.

The study showed that in developed countries production cooperation,
in particular, subcontracting is a tool for increasing the efficiency of industrial production and ensuring general economic growth. Subcontracting is one of the leading factors that ensure high rates of economic development in Japan, the USA, Germany, France, Italy, Spain and other countries [120, p. 78]. The experience of using subcontracting in practice, for example, in Spain in the 70s, also shows that this form is able to lead the country's economy out of a long crisis, when small and medium-sized companies were created, focused on the fulfillment of orders from foreign companies and which participated in specialized high

Table 3.5

Main advantages for contractors and subcontractors when applying in their own subcontracting activities*

Subcontractors	Contractors
- absence of the need to find a buyer for finished products;	– cost reduction due to the subcontractor's specialization in specific production processes and technological operations;
– reduction of capital costs and saving of administrative resources due to optimization of the production process;	– elimination of the need to purchase expensive equipment for unstably loaded productions or one-time orders;
- increase in labor productivity, increase product quality and cost reduction due to production specialization;	- the disappearance of the need to occupy warehouse space for storing raw materials;
- profit growth due to increased production volume, etc.	- the emergence of opportunities to focus on core production operations, new product development and sales, etc.

*compiled by the author based on sources [176]

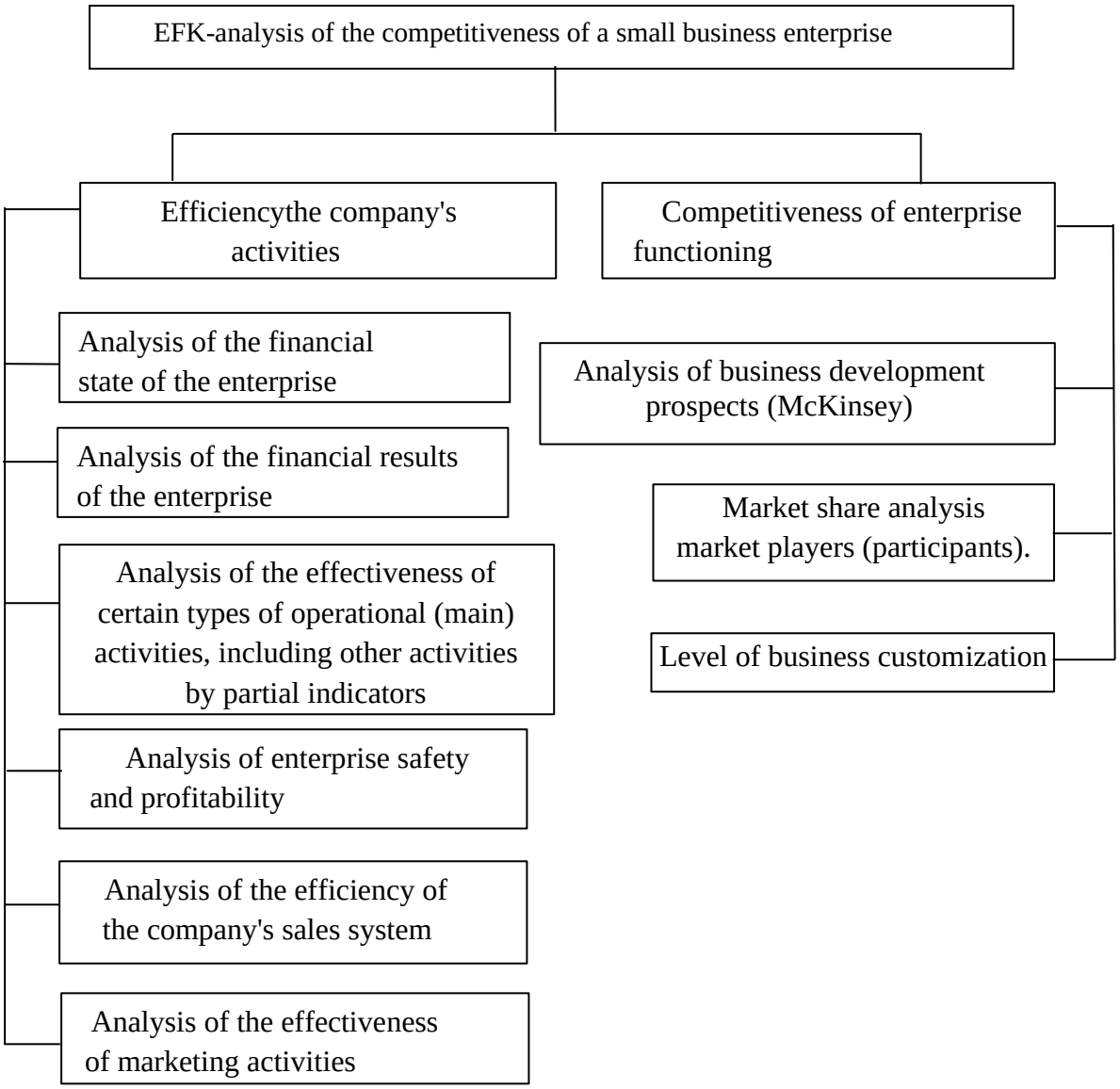
markets, to attract, popularize and create information bases of Spanish companies for foreign ones [176].

Therefore, the conducted research and taking into account the experience of developed foreign countries about the system of cooperation of relations between small and medium-sized enterprises and large businesses confirms the need for its establishment in the food industry and its effectiveness as a tool for ensuring business competitiveness, since the contractor needs stable supplies, and subcontractors need long-term orders and productive cooperation on a long-term basis, which contributes to ensuring and increasing the level of competitiveness and efficiency of their functioning.

3.2. Improvement of the methodological approach to the analysis of the competitiveness of small business enterprises

The main methods of assessing competitiveness for small business enterprises that we considered in the first chapter of the dissertation made it possible to form the most optimal method for assessing the level of competitiveness of small business enterprises in the food

industry, based on the six-point approach, built on the symbiosis of the theory of effective competition and the method of competitiveness. But the application of the presented method of assessing the competitiveness of enterprises is necessary taking into account certain limitations, [19; 39], which are characteristic of the functioning of small business enterprises in the food industry (Fig. 3.1), namely [13, p. 116-117; 112, p. 135-136]:



Rice. 3.1 – Scheme for carrying out EFK analysis of the competitiveness of small business enterprises in the food industry*

* compiled by the author based on sources [13, p. 11614, p. 229; 31; 112, p. 136]

– peculiarities of accounting and tax accounting;
– the number of working personnel;
– absence or almost absence of investment activity;
– limitation of data for analysis due to small scale of activity;
– external and internal factors influencing the enterprise's activity;
– others may be limited, having an impact on the activities of enterprises.

Therefore, to determine the competitiveness of a small business enterprise, we propose to calculate the general indicator of the competitiveness of the functioning of small business enterprises (Icom(sb)), which is calculated according to formula (3.1):

$$I_{com(sb)} = k_1 \cdot I_{bdp} + k_2 \cdot I_{rmsp} + k_3 \cdot I_{ex}, \quad (3.1)$$

where Ibdp is an indicator of business development prospects through the application of the McKinsey method (construction of the McKinsey matrix; the average arithmetic value is expressed in points in two areas: attractiveness of the market (industry), competitive position of the business);

Irmsp – indicator of the ratio of market shares and market players (participants) (calculation is made relative to the leader (benchmark)/direct competitor in the industry; expressed in points);

Iex – indicator of business exclusivity or customization (value expressed in points);

k1, k2, k3 – coefficients of weighting indicators (determined by an expert).

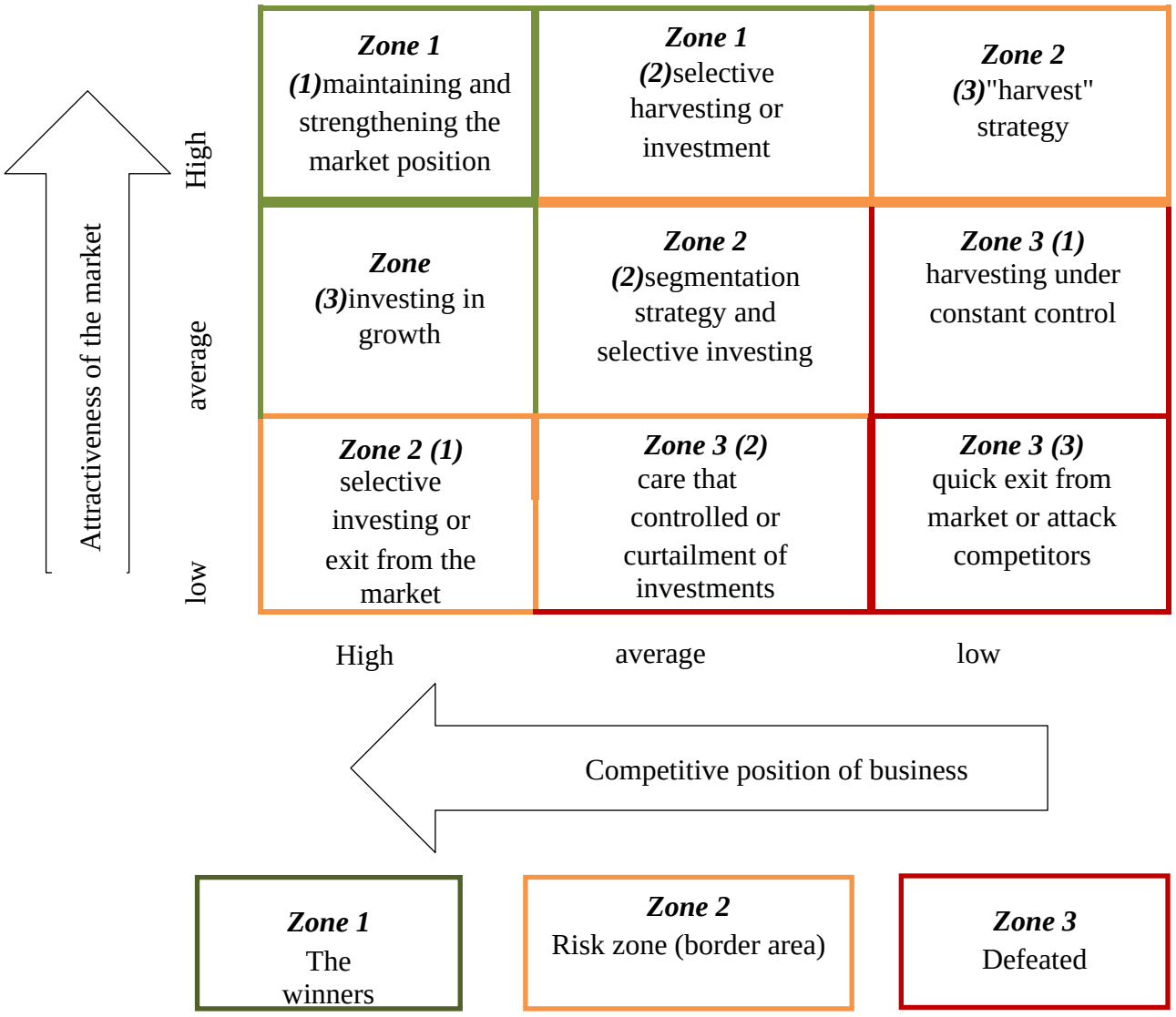
In our opinion, the general indicator of the competitiveness of functioning for small business enterprises (Icom(sb)) should have an upward trend. The study showed that the value of the general indicator of the competitiveness of the functioning of the enterprise under analysis is greater in relation to competitor enterprises, because:

– a stronger position on the market and more opportunities to occupy its segments;
– higher level of competitiveness of the enterprise;

– higher indicators of the effectiveness of its activity.

The study showed that a small business enterprise independently sets the lower limit of such a general indicator of the competitiveness of the functioning of enterprises, but its value should not be lower than the average value of this indicator among competing small business enterprises in the food industry.

To calculate the value of the indicator of business development prospects through the application of the McKinsey method (Ibdp), it is necessary to build the McKinsey matrix (Fig. 3.2) in two directions: attractiveness of the market (industry), competitive position of the business.



Rice. 3.2 – An example of building a McKinsey* matrix

*compiled by the author based on sources [204]

The attractiveness of the market (industry) should include:

– the size of the market itself;

– the possibility of further market growth;

– industry profitability;

– business life cycle stages;

– price elasticity of the market, etc.

The following can be attributed to the competitive position of business for small business enterprises:

– market share;

– relative competitive position;

– relative profitability of the main activity;

– enterprise support (product quality, technology and production, marketing activities), etc.

In fig. 3.2 3 zones are distinguished: the first zone - the winners, the second zone - the risk zone ("border area"); the third zone is the zone of the defeated. The quadrant of each zone is divided into three sectors (Table 3.6), which determine the position of the enterprise on the market and recommendations for its further activities.

Table 3.6

An example of the distribution of zones of the McKinsey matrix*

Zones	Quadrants	Possible strategies	Investment priority
Zone 1	Quadrant 1: Undisputed Leader or Winner 1	Additional investments in business development in order to maintain and strengthen the market position	High
	Quadrant 2: Closest to Leader or Winner 2	Investments in the development and strengthening of business positions	
	Quadrant 3: "Second Leader" or Winner 3	Selective harvesting; investing in those industries in which the company is a leader	
Zone 2	Quadrant 1: Profit Creator	Additional investment; investment restrictions; exit from the market	Average (cautious investment)
	Quadrant 2: Medium Business	Segmentation strategy; additional investment; limited investment	Average (selective investment)

Continuation of the table. 3.6

Zones	Quadrants	Possible strategies	Investment priority
	Quadrant 3: Question Marks	Harvest strategy; limited investments to consolidate strategic positions	
Zone 3	Quadrant 1: Underdog or loser but has a chance in a risk-free industry	Controlled harvesting; refusal of business	Low
	Quadrant 2: Loser 2 or Loser Leader	Supervised care; curtailment of investments; slow decline of business	
	Quadrant 3: loser 3 or underdog	Quick exit from the market / refusal of business; aggressive attack on competitors	Disinvestment

*compiled by the author based on sources [204]

Based on the results of the matrix expressed in points (Table 3.7), in our opinion, it is necessary to calculate the average arithmetic value with a similar assessment.

Table 3.7

McKinsey matrix analysis score*

Zone	Potential	Scale of points
1. Market (industry) attractiveness analysis	low	0–3 points
	average	4 - 7 points
	high	8-10 points
2. Analysis of the competitive position of the business	low	0–3 points
	average	4 - 7 points
	high	8-10 points

*compiled by the author based on sources [204]

To calculate the value of the indicator of the ratio of market shares and players (participants) of the market (Irmsp), it is necessary to carry out the ratio of the distribution of the market share of the market in the industry relative to the leader (benchmark) or a direct competitor in the industry. The assessment is carried out using a points system (Table 3.8). The scoring scale for evaluating the market share of competitors used by the author [31], in our opinion, can be used to determine the market share of players (participants) of the market for small business enterprises in the food industry. Yes, if the fate of the enterprise

Table 3.8

Scores for analysis of the market share of market players (participants)*

Market segment	Scale of points
0% - 10%	0.5 points
11% - 20%	1 point
21% - 30%	1.5 points
31% - 40%	2 points
41% - 50%	2.5 points
51% - 60%	3 points
61% - 70%	3.5 points
71% - 80%	4 points
more than 81%	5 points

*compiled based on sources [31]

on the market is in the range from 0% to 10%, then this is equivalent to 0.5 points, from 11% to 20% - one point, from 21% to 30% - 1.5 points, from 31% to 40% - two points, from 41%

up to 50% - 2.5 points, from 51% to 60% - three points, from 61% to 70% - 3.5 points, from 71% to

80% – four points, and more than 81% – five points [31].

The conducted research confirmed that, in our opinion, one of the tools for increasing the level of competitiveness of small businesses in the food industry is the customization method, as an effective method of marketing activity. Thus, in modern market conditions, most small business enterprises are interested in increasing customer demand for products of their own production. One of the ways to reduce pressure from competitors and strengthen one's market position by attracting consumer attention is customization [196]. Customization (from the English customize — to adjust), in a broad sense, is defined as "the process of adaptation and adjustmentproductfor a separate audience or consumer, united by certain features" [36]. Derivatives of this statement can be found in the works of many scientists, for example, A. Bolotna defines customization as "a concept in which the company does not consider the preferences of each customer, but instead gives customers the opportunity to customize and change the product, to create a product according to their own tastes" [83; 140, p. 182], and D.A. Shevchenko - "as a process of adapting goods and services and their "adjustment" to the individual characteristics and requirements of the consumer" [193; 196, p. 557].

Customization is considered, first of all, as a "tool for differentiating the company's offer, creating a special product for a narrow target audience and attracting new consumers" [196; 206]. Individually produced for a specific client (consumer) or a narrow group, the product becomes more desirable in the eyes of the consumer and society and acquires greater value [196], which is why this direction is especially interesting for small business enterprises in the food industry.

Thus, for food industry enterprises, the task of customization is, first of all, to create in the client (consumer) the feeling that the product is unique, created personally for him, has unique characteristics and fully satisfies his personal needs. For food industry products, customization can be expressed as follows [196]:

– change of recipe, incl. at the request of the consumer;

– production of food products according to a unique order;

– design of the food product at the request of the client (consumer);

– packaging on demand, taking into account the quantity required by the consumer, the packaging material, the presence of an individualized label, etc.;

– other

In our opinion, customization at food industry enterprises is most ideal when it is in close interaction between the following stages of the process: "producer - supplier of goods/services - client (consumer)". This is relevant especially for small business enterprises that can organize and carry out the process of working with the client (consumer) during all stages of interaction with him, such as:

– order acceptance;

– consultations;

– discussion of production stages, including opportunities to involve the client directly in the production process;

– product design;

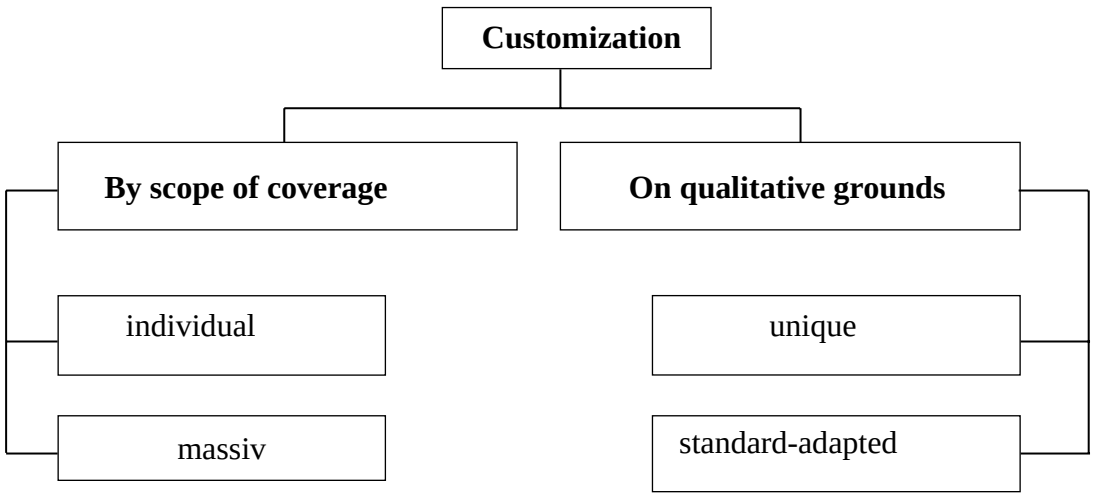
– production of packaging materials;

– packaging and design of the final appearance of the product in the package;

– delivery of the product to the client (consumer).

These measures will allow not only to personally control all stages of the process, but also to ensure a competitive advantage thanks to the creation of higher value for the client, including thanks to the avoidance of intermediaries that can reduce the quality of the product and the general image of the product and the company that was involved in its creation.

In fig. 3.3 presents the classification of the "customization" category, which is structured for small business enterprises in the food industry according to the following main directions: scope of coverage and qualitative characteristics.



Rice. 3.3 - Classification of customization for small business enterprises in the food industry industry*

*developed and created by the author

Thus, according to the scope of coverage, customization should be divided into individual, oriented and produced individually at the request of a specific client (consumer), including with the possibility of his intervention or participation in the production process and mass.

In the commonly used sense, mass customization is interpreted as "manufacturing of mass production under a specific order of the consumer by means of it

complete set with an additional element or accessories" [214]. In our opinion, the definition of mass customization is interesting, as "customization and personalization of services and goods for individual consumer by price politics mass production" [56; 116, p. 75]. However, the concepts of mass production and mass customization should be clearly distinguished. The difference is that in mass production, the enterprise produces unified products at a fixed price, which is oriented to the standard requirements of the client (consumer), while mass customization is oriented to a specific consumer or a narrow group of consumers with their special taste differences and consists in supplemented, combining, quick adaptation of the already produced product [116, p. 75]. Thus, the essence of the concept of mass customization is the combination of elements of mass production and production to the order of the client (consumer) [116, p. 75].

In scientific publications, scientists distinguish several approaches to classifying types of customization, the essence of which does not differ much. The first approach consists in dividing customization into three groups [34, p. 183-184; 205, p. 2]:

– expert customization (there is a complete change of the product based on the manufacturer's decision based on consumer demand and is the most complex and expensive type of customization);
– modular customization (consists in the ability of the client (consumer) to order an individual product and is a simpler type of customization, in which the client can independently choose the necessary components for the production of the product. With mass customization, the process of creating a product is divided into certain modules to create its various final configurations, and with effective organization of modular customization, the company is able to maintain prices at the level of mass goods;
– cosmetic customization (there are external changes to the product or its packaging).

The second approach [34, p. 183-184; 124; 196, p. 557] divides customization into:

– horizontal (modification of products from identical, impersonal components);
– vertical (a unique product from unique components created

specially and for the first time at the request of a specific client. It is considered rather complicated and expensive, but also the most effective).

However, in our opinion, for small business enterprises of the food industry, customization should be divided according to qualitative characteristics (Fig. 3.3) and the following types should be distinguished:

– unique customization;

– standard-adapted customization.

In our opinion, unique customization should be understood as the production of an elite, unique and special product in limited quantities at the request (to order) of a specific client (consumer) or targeted at a narrow group of clients (consumers). At the same time, all stages of the production process are fully controlled by the small business enterprise, while the client, in the case when the product is manufactured according to his specific order, can intervene and control any stage of the production process.

Standard-adapted customization consists in partial (at any stage of production) or complete adaptation of the product to the needs of the client (consumer).

As studies have shown, the adaptation of production to the requirements of the client (consumer) and the satisfaction of their specific requests in modern conditions is the most relevant for enterprises [137, p. 75].

The proposed indicator of exclusivity (customization) of business (Iex) in the EFK-analysis system indicates how much a small business enterprise can deviate from standard manual or automated processes, in other words, how flexible is production at the enterprise (table 3.9).

Table 3.9

Scores for analyzing the level of business customization*

Level of customization	Production cycle	Scale of points
1. Tall	During a certain specified time (hours)	5 points
	During the day/several days	4 points
2. Average	During the week	3 points
	During the month	2 points

Continuation of the table. 3.9

Level of customization	Production cycle	Scale of points
3. Low	More than a month (up to a year inclusive)	1 point
	More than a year	0.5 points

*developed and created by the author

Thus, it can be noted that the longer the production cycle at the enterprise, the lower the level of its customization, and the flexibility to adapt such a business is low and vice versa.

Evaluation of the efficiency of the enterprise in the EFK system of small business competitiveness analysis, presented in the form of calculated indicators of the efficiency of the small business enterprise, and structured into five groups (Table 3.10):

– indicators characterizing the financial condition of the enterprise;
– indicators characterizing the efficiency of certain types of operational activity of the enterprise, including other activities according to partial indicators;
– indicators, What characterize safetyactivity enterprises and breakeven;
– indicators characterizing the efficiency of the company's sales system;
– indicators, What characterize efficiency activity marketing activity

Table 3.10

Performance indicators of a small business enterprise and its individual types*

Indicator groups	Direction of analysis
1. Indicators, that characterize the financial state of the enterprise	Analysis of liquidity
	Analysis of financial stability
2. Characterizing indicators the efficiency of certain types of operational activities of the enterprise, including other activities by partial indicators	Analysis of the efficiency of resource use
	Analysis of financial results from operational and other activities of the enterprise by absolute and relative indicators

Continuation of the table.

Indicator groups	Direction of analysis
3. Indicators, which characterize the safety of the company's activity and profitability	Analysis of safety indicators of the main operational activity
4. Indicators, that characterize the efficiency of the company's sales system	Analysis of sales efficiency
5. Indicators characterizing the effectiveness of marketing activities	Product promotion indicators

*compiled by the author based on sources [20; 31; 73; 79; 94; 98]

The characteristics of indicators for evaluating the efficiency of the enterprise in the EFK-analysis of the competitiveness of small businesses, which belong to the first group,

Characteristics of the indicators of the second group, which show the efficiency of certain types of operational activities of the enterprise, including other activities by partial indicators in the EFK-analysis system of small business competitiveness are shown in the table. 3.12.

Table 3.12

Indicators characterizing the efficiency of certain types of operational activity of the enterprise, including other activities according to partial indicators for the enterprise small business*

Direction of analysis	Indicators	Calculation method	Normative value
Analysis of the efficiency of resource use	Material return (Mv), hryvnias/hryvnias	$Mv = Vol_d / MV$	Magnification
	Labor productivity (PP), hryvnias.	$PP = Vol_p / Ch_{Ave}$	Magnification
	Fund return (Fv), hryvnias/hryvnias	$Fin = Ob_p / \overline{ОЗвир}$	Magnification
	Return on investment (FR), %	$Fp = PE / \overline{ОЗвир}$	Magnification

Continuation of the table.

Direction of analysis	Indicators	Calculation method	Normative value
	The turnover ratio of current assets (CO_{Both})	KO_{ATbA}= ЧД / $\overline{\text{ОбА}}$	Magnification
	Duration of 1 turnover of current assets (PO_{Both}), days	$ON_{ObK}= D_d / KO_{Both}$	Reduction
Analysis of financial results from operational and other activities of the enterprise by absolute and relative indicators	Profitability of production (Pv), %	$Rv = FR_{within} / (\overline{\text{ОЗвир}} + \overline{\text{ОбК}})$	Magnification
	Profitability of the main operating activity ($Rs_{additional}$), %	$R_{basic\ operation}= FR_{to\ op.} / V_{basic\ operation}$	Magnification
	Profitability of other operating activities ($R_{other\ operations}$), %	$R_{other\ operations}= FR_{other\ operations} / V_{other\ operations}$	Magnification
	Product profitability (Rp), %	Rp = VP / Sv	Magnification
	Costs per unit of production (V_{unit}), UAH	IN_{unit}= Saint / $Rev_{nat.}$	Reduction
	Profitability of certain types of products ($R_{ed.\ prod.}$), %	$R_{ed.\ prod.}= Pr_{ed.\ prod.} / St_{ed.\ prod.}$	Magnification
	Net profit (PE), hryvnias.	$ChP = FR_{to\ op.} - PP_p$	Magnification
	Profit before taxation ($P_{to\ op.}$), UAH	$P_{to\ op.}= D_d - V_d$	Magnification
	Gross profit from the main activity (VP), hryvnias.	$VP = ChD – St_{rp}$	Magnification

*compiled by the author based on sources [7; 31; 73; 79; 94; 98]

The main notations of the indicators presented in the table. 3.12 are given in table. 3.13.

Table 3.13

Notations for calculating performance indicators certain types of operational activities of the enterprise, including other activities according to partial indicators for a small business enterprise*

Notations	Indicators
$About_d$	Product volume at current prices
MV	Material costs
$About_p$	The volume of products in comparable prices
Ch_{Ave}	The number of employees
$\overline{\text{Least}}$	Average annual fixed assets

Continuation of the table.

Notations	Indicators
state of emergency	Net profit
ChD	Net profit
[illegible]	Average annual amount of current assets
D_d	Activity income
KO_{Both}	Turnover ratio of current assets
FR_{call}	Financial result from ordinary activities
$FR_{to\ op.}$	Financial result before taxation
$IN_{basic\ operation}$	Expenses from the main operating activity
$FR_{other\ operations}$	Financial result from other operating activities;
$IN_{other\ operations}$	Expenses from other operating activities
VP	Gross profit
St	Cost of production
$About_{nat}$	The volume of production in natural terms
$Pr_{ed.\ prod.}$	Profit from the sale of certain types of products
$Sat_{ed.\ prod.}$	The cost of a particular type of product
PP_p	Income tax
D_d	Activity income
IN_d	Activity costs
$St_{rp.}$	Cost of goods sold

*compiled by the author based on sources [7; 31; 73; 79; 94; 98]

Indicators characterizing the safety of the company's activity and break-even in the EFK-analysis system of small business competitiveness are assigned to the third group of indicators and are presented in the table. 3.14.

Table 3.14

Indicators characterizing the safety of small business enterprises and its break-even*

Direction of analysis	Indicators	Calculation method	Normativevalue
	Marginal profit (MP), hryvnias	$MP = ChD – V_{zm}$, where BH is net income; IN_{zm}– variable costs	Magnification

Continuation of the table.

Direction of analysis	Indicators	Calculation method	Normative value
Analysis of safety indicators of the main operational activity	Marginal profit per unit of production (MP_{unit}), UAH	MP_{unit}= MP / $Vol_{nat}$where MP is the marginal profit; $About_{nat.}$- volume of production innaturally expressed	Magnification
	The coefficient of marginal profit (K_{MP})	K_{MP}= MP / ChD, where MP is the marginal profit; BH - net income	Magnification
	The critical volume of production, in natural terms (V_{KRn})	V_{KRn}= B_{post}/ MP_{unit}, where V_{post}– fixed costs; MP_{unit}- marginalprofit per unit of production	Reduction
	Critical volume of production, in value terms (V_{KR})	V_{KR} =IN_{zm}+ V_{post}, where where V_{zm}– variable costs; IN_{post} - fixed costs	Reduction
	Safety indicator ($P_{b)}$	P_b= (Ob_{nat}- Ob_{KRn}) / $Vol_{nat}$where $Ob_{nat.}$- volume of production innaturally expressed; $About_{KRn}$- critical volumeproduction, in natural terms	Magnification

*compiled by the author based on sources [7; 31; 73; 79; 94; 98]

The indicators of the fourth group of the group characterize the efficiency of the company's sales system in the EFK analysis of the competitiveness of small businesses and are given in the table. 3.15.

Table 3.15

Indicators characterizing the efficiency of the company's sales system small business enterprises*

Direction of analysis	Indicators	Calculation method	Normative value
Analysis of sales efficiency	Profitability of sales (R_{Ave}), %	R_{Ave}= state of emergency / state of emergency, where PE is net profit; BH - net income	Magnification

Continuation of the table.

Direction of analysis	Indicators	Calculation method	Normative value
	Coefficient of oversupplied finished products (KZ_{GP})	$KZ_{GP} = Vol_{seals} / Vol_{nat}$ where Ob_{seals} - the volume is not sold products in physical terms; $About_{nat}$ - volume of production in naturally expressed	Reduction
	Production capacity utilization factor (KZvp)	$KZvp = Ob_{nat} / VP$, where Ob_{nat} - volume of production in naturally expressed; VP - production efficiency	Magnification
	Monitoring of financial discipline of buyers (clients)	ABC analysis	Answers ABC distribution

*compiled by the author based on sources [7; 31; 73; 79; 94; 98]

The fifth group includes indicators characterizing the effectiveness of marketing activities in the EFK-analysis system of competitiveness at a small business enterprise (Table 3.16).

Table 3.16

Indicators characterizing the effectiveness of the enterprise's marketing activity small business*

Direction of analysis	Indicators	Calculation method	Normative value
Product promotion indicators	Efficiency coefficient advertising and media sales promotion	$Kef_{advertisement} = \Delta P / V_{said}$ where ΔP is the change in profit; $IN_{advertisement}$ - advertising expenses	Growth
	Calculation of the percentage of regular (loyal) customers	$K_{post.cl.}$ = No. of post clients / Total number of clients	Increase (standard value is 60% and more)

*compiled by the author based on sources [7; 31; 73; 79; 94; 98]

The second group indicators for analysis financial results activityenterprise", presented in fig. 3.1 in the EFK-analysis system, included in

groups of indicators characterizing the efficiency of certain types of operational activity of the enterprise, including other activities by partial indicators.

The fifth group "indicators characterizing the effectiveness of marketing activity" should also separately include the calculated indicators of the methodical approach to managing the client base of small business enterprises, which is based on the use of cluster analysis and is displayed on pages 160-163 of the dissertation.

The study showed [212, p. 4909] that most enterprises currently consider customer loyalty as the main tool for increasing their competitiveness (among non-price methods). Thus, according to experts, a low level of reliability in the business environment reduces the efficiency of economic activity by 25–50%, and sometimes more. A 5% increase in repeat customers leads to a 25-100% increase in profits. In most industries, the profit from each customer increases with the increase of his cooperation with the company. At the same time, as a rule, it is necessary to attract several new ones to compensate for losses from one lost old client. Thus, according to the generally accepted definition, loyal customers are those who have a positive attitude towards the company's activities, its products and services, its personnel, etc. This positive attitude is expressed by the preference given to the products of this company compared to competitors, and this preference is stable over time and characterized by repeated purchases. The consumer adheres to the pattern of repeated purchases because this particular brand satisfies his needs well or because his personal loyalty to the brand is formed.

Considering the rational component in customer behavior, there are three types of loyalty [212, p. 4909-4910]:

1. *Favor*-Attitudinal loyalty manifests itself as consumers' interest in buying from this company, implies emotional involvement and attachment of the consumer to the company, complete satisfaction with relations with this organization, interaction with the company for an unlimited time. The consumer highly values the company, is satisfied with cooperation with it, has an interest in it and

emotional attachment, but does not have the opportunity to buy from this organization often (economic factors or the absence of the company in the market). When such an opportunity arises, he will purchase products from the specified company.

2. Behavioral loyalty, manifests itself when making purchases from the company on an ongoing basis, but in the absence of commitment. The consumer is either not satisfied with the cooperation with the company in which he buys the product / service, or is indifferent to it. Despite this, the consumer is forced to interact with this company due to the lack of a "favorite" brand on the market or for economic reasons. At the first opportunity, the consumer goes to the company to which he feels an emotional attachment. There are cases when the consumer does not have brands that he feels any attachment to.

*3. Mixed type.*The consumer regularly purchases from this organization and experiences this emotional attachment and deep satisfaction. Thus, in this case we can talk about a combination of devotion and loyalty. Summarizing what has been said, we can conclude that loyalty is an indicator that characterizes the client's attitude to the company, to the goods / services it provides. It includes both an emotional and a rational component. The degree of loyalty is reflected in the customer's behavior, his intention to continue relations with the company and his willingness to cooperate with it.

The formulation of the company's customer base management mission is based on the following assumptions [212, p. 4910]:

*Assumption 1.*All customers of the company can be divided into K non-intersecting clusters depending on the frequency of purchases, the size of the average check and the socio-demographic situation;

*Assumption 2.*The movement of customers between different clusters in the case of an undetected influence of the relationship history between the customer and the company can be described using an adapted personnel movement model;

*Assumption 3.*The value of a customer to a company can be estimated using the frequency of purchases and the size of the average check;

*Assumption 4.*The costs incurred by the company to manage the customer base can be divided into two categories: the costs of attracting new customers and the costs of maintaining existing customers and increasing their loyalty.

*Assumption 5.*Changes in customer behavior: the intensity of the transition between clusters, the frequency of purchases and the size of the average check are influenced by the following factors:

– influence of the foreign market;

– the internal effect of the company's marketing activities;

– changes in customers' own needs, regardless of the outside world.

Criterion optimal management client's base - maximization of the long-term value (CLV) indicator of the company's client base for the time interval T [212, p. 4910].

Customer base management tools are marketing activities aimed at stimulating and changing the buying behavior of customer groups to increase their profitability on long term. The budget constraint B on the implementation of marketing activities for each moment of time t serves as boundary conditions.

A. Mathematical notation of the client base management problem[212]. Thus, the mathematical notation of the customer base management problem can be formulated in the form of the following system of equations (3.2):

$$\begin{cases} \sum_{t=1}^{T} \frac{1}{v_t} \left(\sum_{i=1}^{K} N_i^t F_i^t M_i^t - \sum_{l=1}^{L} z(Ad_L^t) \right) \rightarrow \\ \sum_{l=1}^{L} z\left(Ad_L^t\right) \leq B^t, t \epsilon [1, T] \end{cases} \quad (3.2)$$

where Nt is the number of clusters at time t, calculated by formula (3.3):

$$N_i^t = (1 + a_{ii}^t) \cdot N_i^{t-1} + \sum_{j=1}^{K} a_{ji}^t \cdot N_j^{t-1} - \sum_{j=1}^{K} a_{ij}^t \cdot N_i^{t-1} + (c_{2i}^t - c_{1i}^t) \quad (3.3)$$

Ft is the average frequency of purchases for cluster i at time t, calculated by formula (3.4):

$$Ft_i = fi(Adt_1; \dots Adt_L) \quad (3.4)$$

fi - is a function that reflects the dependence of the frequency of purchases of cluster i on the company's marketing activities;

Mţ is the average check in cluster i at time t, calculated according to the formula (3.5):

$$Mt_i = mi(Adt_1; \dots Adt_L) \quad (3.5)$$

where, mi is a function that reflects the dependence of the average inspection of cluster i on the marketing activities of the company;

Adţ - coefficient characterizing the set of marketing events with certain parameters: type of marketing event, product category, region, amount of points with discount / bonus, for time t;

$z(Adt_L)$ - the value of the coefficient Adt_L for time t;

Bt - the size of the budget for marketing activities at time t;

K - the number of customer cluster bases;

vt is the discount factor for time t.

B. Solving optimal management problems[212, p. 4910-4911].

Respond on this one optimal the problem management – such setmarketing actions Adt; … Adt at each instant of time tє [1, T] at which it is reached $_1$ $_L$
the maximum long-term value of the customer base.

The reduced gradient method (RGM) is based on reducing the dimensionality of the problem using the representation of all variables through a set of independent variables. It was first proposed by Wolf in 1963 [209] for linear programming problems with linear constraints. Gradient descent is a method of finding the local extremum (minimum or maximum) of a function by moving along the gradient. To minimize the function in the direction of the gradient, one-dimensional optimization methods are used; for example, the golden ratio method. Later, this method was generalized to the case of nonlinear constraints.

The generalized reduced gradient method is used to find the minimum of an active function object on a set given by nonlinear constraints such as equality and inequality. The technique can be used even in the case of nonlinear functions bounded both above and below.

The advantages of the proposed method for small business enterprises in the food industry are:

– simplicity of formulating the objective function as a function of independent and dependent variables;

– the possibility of obtaining a possible solution at each iteration due to changes in the places of dependent and independent variables;

– resistance of the algorithm to violation of initial (initial) prerequisites and its reliability;

– optimal solutions even in large intervals that specify the initial conditions.

Conducted research and calculations [212, p. 4911-4913] made it possible to cluster the client base using the k-means method using the IBM SPSS Statistica software package [215] and obtain five clusters.

To identify differences, such as consumer behavior in selected clusters or socio-demographic differences, a visual analysis of the data was carried out and histograms of critical indicators of the base were constructed for each cluster [212, p. 4912-4913].

The research was conducted on the basis of the obtained regression models [212, p. 4911-4912] made it possible to present an economic interpretation of the obtained results and to form a strategy for managing the behavior of customers of cluster customers depending on the tasks assigned to each cluster.

Thus, in order to keep customers in the first cluster - "ordinary customers", the company needs to conduct mass marketing activities. For the second cluster - "payers", there is no unambiguous plan of measures that would allow keeping the exit of customers from this cluster at the same time as attracting customers from other clusters and the outside world, so it is necessary to choose between two

possible work strategies are to follow a customer retention policy or a strategy to attract new customers to this cluster. Such events will also help to increase the flow of customers from the fourth cluster - "followers", simultaneously increasing the outflow of customers to the first group - "regular customers". At the same time, attracting new customers, a small business enterprise can reduce the quality of its customer base, facilitating the transfer of customers from a cluster with a high level of income to a less profitable one, namely from "followers" to "regular customers" [212, p. 4913-4914].

This study confirmed the feasibility of applying a methodical approach to managing the client base in order to increase the level of loyalty, which is one of the important indicators of the effectiveness of the small business enterprise in the craft industry and increasing the level of competitiveness of its business.

3.3.State regulation of business activity as a lever for ensuring competitiveness in small enterprises business

In modern conditions, the development of the economy of any country depends on many factors of influence, both external and internal, but the most significant, in our opinion, is the study of issues of state regulation of the activities of economic entities and their state support. This issue is particularly relevant due to the unprofitable activity of many industrial enterprises of Ukraine, including small businesses, which do not have the capabilities and leverage to quickly respond to rapid changes, both in the external environment in the national and international economies, and for flexible countermeasures external and individual internal factors of influence. Due to this, certain problems arise at the enterprises with the production and further sale of their own products, unprofitability of operations arises.

In our opinion, the creation of a stable, stable and competitive economy in the country is impossible without the introduction of successful methods and means, first of all,

and support of the national producer from the side of the state [15; 17; 107]. Studies have confirmed that the development of the economy of any country depends, first of all, on the efficiency of the functioning of enterprises, which is determined, first of all, by the level of its competitiveness and its effective management, as well as the need to ensure its constant growth, efficiency of operations.

The efficiency of the functioning of enterprises is the result [15; 17; 87]:

– successful state policy, namely, effective state support for the own producer and protection of the domestic market from low-quality goods and expansion;

– effective financial and credit policy of the state and its economic stability;

– economic stability in the state and the protection of economic entities by the state;

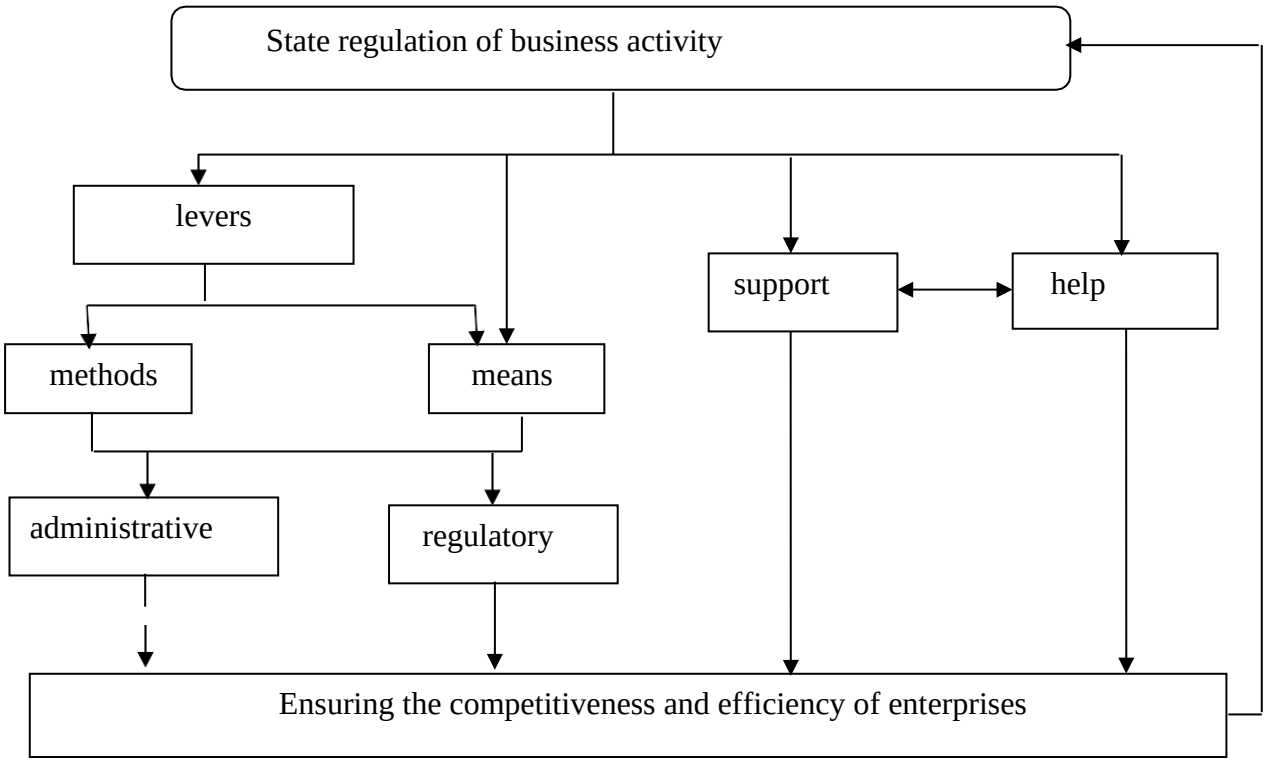
– the efficiency of the enterprise's activities, due to the effective organization of management at the enterprise and the ability to quickly respond to external and internal factors of influence and solve management issues that arise in it;

– ensuring competitiveness at enterprises through their constant development: updating the technical base; improvement of quality and physical characteristics of manufactured products; expanding the range of products; introduction of new trends; meeting the needs and expectations of consumers; active promotion of products to the market.

Study of the issue of state regulation of the economy [50; 87], we identified and improved the concept of "state regulation of the economy" as the activity of the state to create a certain set of tools, with the help of which certain requirements are established for enterprises and persons engaged in entrepreneurial activities, support for the stability of reproduction and conditions for the development of enterprises and the economy as a whole are ensured. We believe that it is expedient to introduce state regulation of business activity through a system of levers and means of influence on the competitiveness and efficiency of enterprises

on the one hand and the use of state support and aid on the other (Fig. 3.4).

In turn, according to the economic encyclopedic dictionary [80; 87], "economic levers - means and methods of managing the national economy with the help of financial and credit instruments, taxes, price regulation and the use of tariffs, amortization budget policy, etc."



Rice. 3.4 – State regulation of business activity*

*composed by the author

As we can see from fig. 3.4, it is possible to apply administrative and regulatory methods and means of state regulation. In our opinion, the introduction by the state of administrative methods and means of state regulation has a more rigid and coercive nature and consists in a certain interference in the activities of enterprises, which may indicate a negative situation in the economy:

– used in crisis conditions;

– under harsh and unfavorable external and internal conditions, such as: boycott and application of sanctions by other states, military actions in the country, etc.;

– closed economy models;

– inflation;

– other factors.

This type of regulation can have both a positive and a negative impact on the economy in the country.

According to the Law of Ukraine "On State Aid to Business Entities" [87], "state aid to economic entities is any form of support to economic entities at the expense of state or local resources that distorts or threatens to distort economic competition , creating advantages for the production of certain types of goods or the implementation of certain types of economic activity." The Law of Ukraine "On State Aid to Business Entities" [87] equates the concepts of state aid and state support, while, in our opinion, these concepts are not exactly the same. In our opinion, state support is necessary for working enterprises that need support from the state to ensure their further development, primarily this applies to:

– newly formed enterprises;

– small business enterprises, as an unprotected but most promising link;

– enterprises operating in a difficult period of economic development in the state;

– enterprises operating in economically underdeveloped regions or regions in a difficult economic condition;

– enterprises that are of increased interest to the state;

– enterprises that have separate problems in conducting business activities.

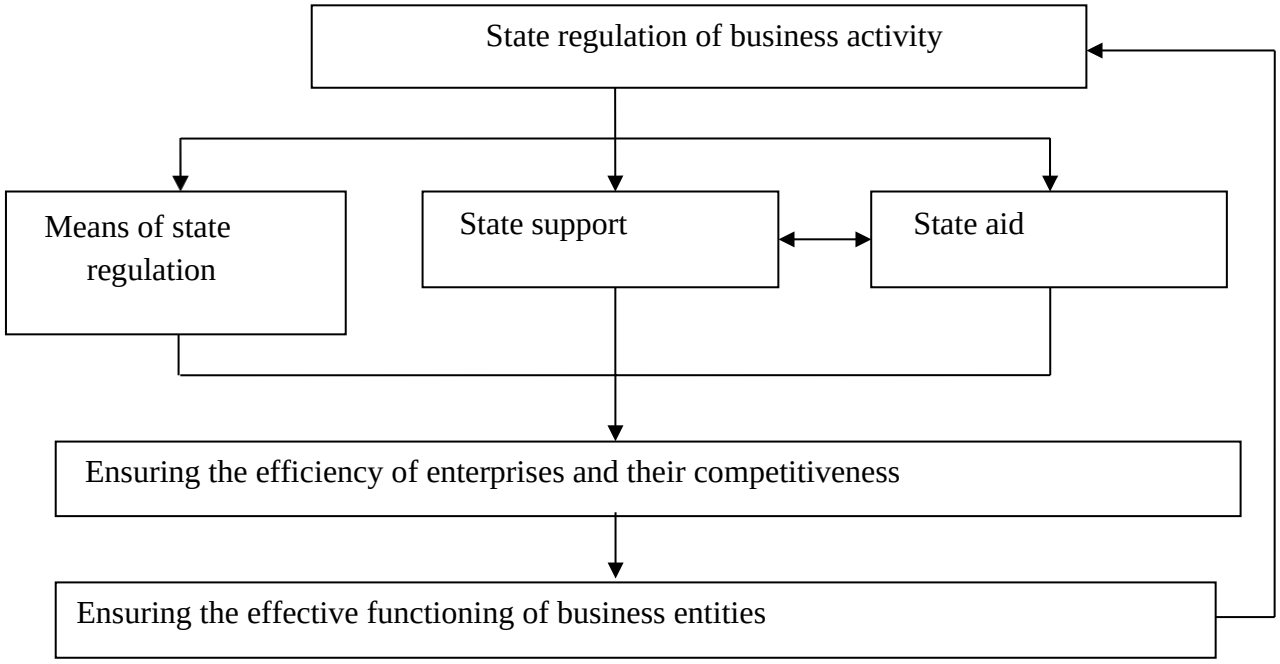
State aid, according to our observation, is necessary to support:

– enterprises with a negative financial situation;

– enterprises in crisis and decline;

– enterprises on the verge of bankruptcy.

The conducted study of the experience of supporting small businesses in foreign countries made it possible to form the components of state regulation of small business enterprises (Fig. 3.5).

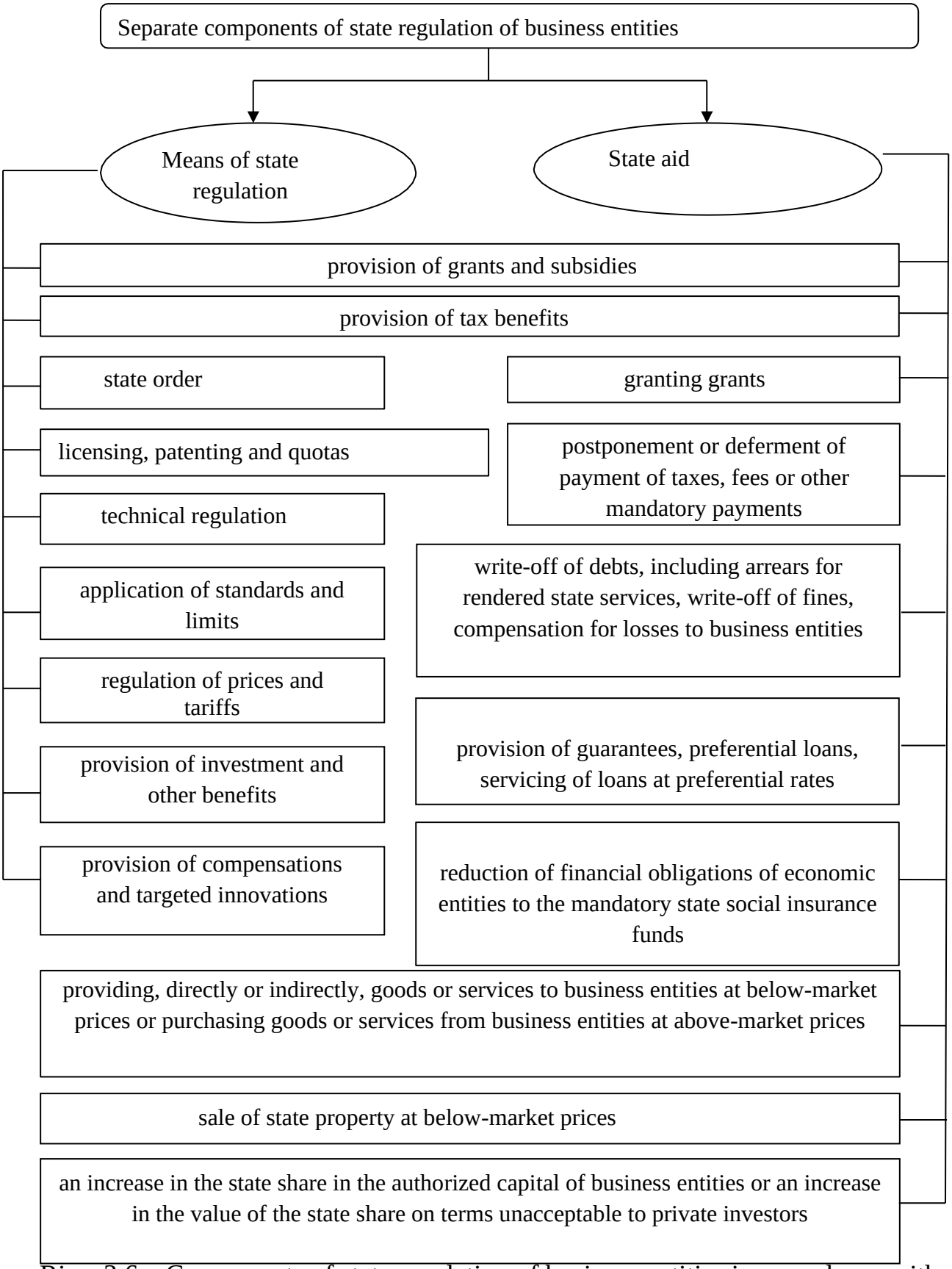


Rice. 3.5 – Components of state regulation of small business enterprises*

*compiled by the author based on sources [15; 43; 87; 125; 128; 155; 146]

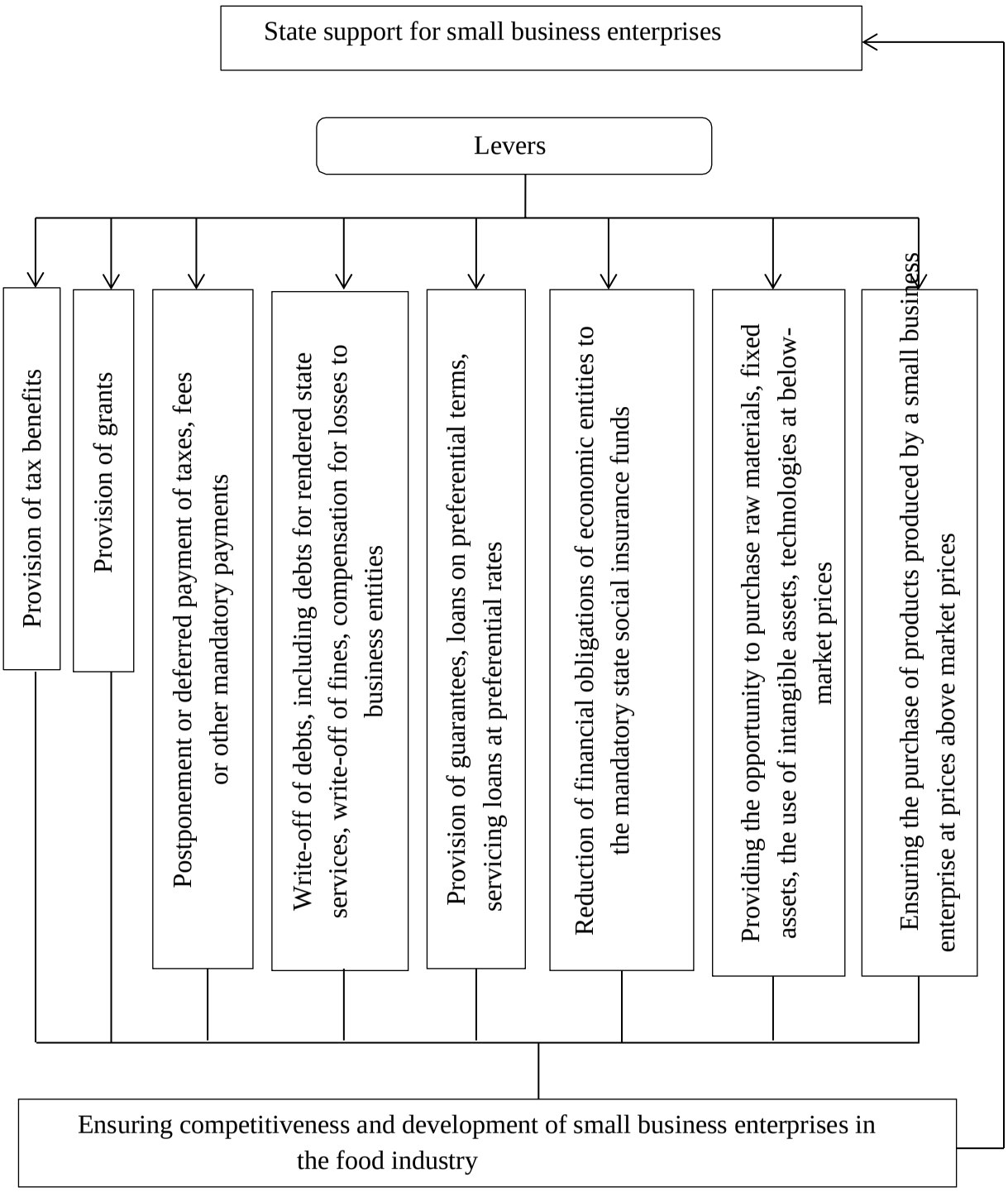
Analysis of legislative acts on regulation, support and assistance to business entities showed that the Economic Code of Ukraine No. 436-IV dated 16.01.2003 (as amended on 07.02.2019) allocated means of state regulation, and the Law of Ukraine "On State Aid to Business Entities" No. 1555-VII dated 01.07.2014 (with amendments and additions dated 02.08.2018) established means of state aid (Fig. 3.6).

The conducted research made it possible to form the directions of state support for small business enterprises, as a necessary lever for the provision and development of small business enterprises in the food industry and allowed to identify its possible components (Fig. 3.7).



Rice. 3.6 – Components of state regulation of business entities in accordance with current legislation*

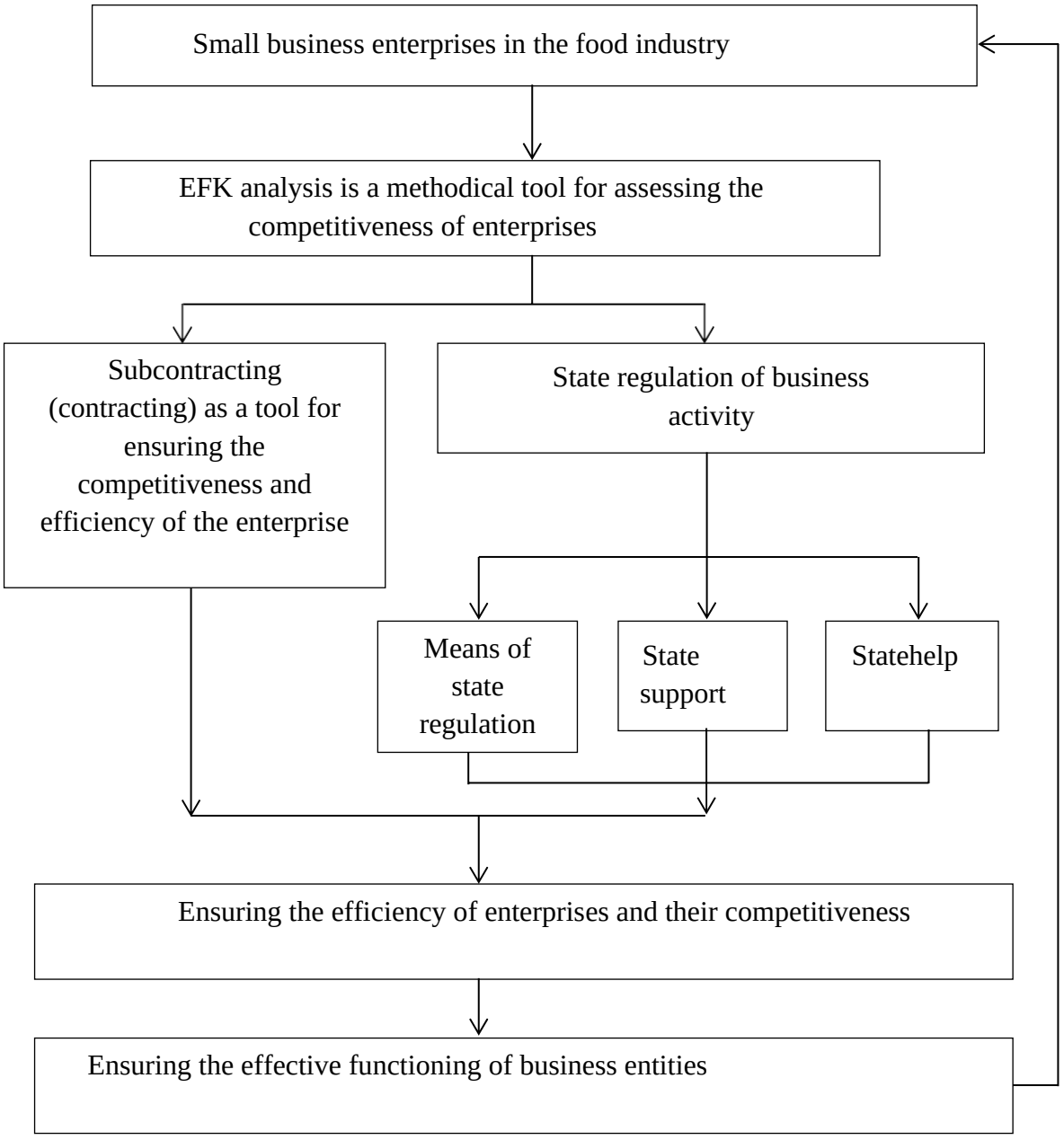
*compiled by the author based on sources [15; 43; 87]



Rice. 3.7 – Components of state support for small business enterprises*

*compiled by the author based on sources [15; 43; 87]

Conducted research allowed to form system software competitiveness and efficiency functioning enterprises small business in the food industry, presented in Fig. 3.8.



Rice. 3.8 – A system for ensuring the competitiveness and efficiency of the functioning of small business enterprises as subjects of entrepreneurial activity*

*composed by the author

Thus, the conducted research made it possible to form a system of methodical approaches and tools for assessing the level of competitiveness of small business enterprises and ensuring their

competitiveness and efficiency of functioning, given in paragraphs 3.1-
3.3 of this thesis and, in our opinion, solves the task of preserving and developing domestic producers of food products - small business enterprises, developing entrepreneurship in Ukraine, strengthening its economy and competitiveness.

Conclusions

In the work based on theoretical generalization, the theoretical and methodological principles are substantiated and practical recommendations are developed for solving the important scientific and practical problem of ensuring the competitiveness of small business enterprises in the food industry. According to the results of the research, conclusions of a theoretical, methodological and scientific-applied nature were made:

1. In order to ensure the competitiveness and effective functioning of enterprises, the conducted study of theoretical and practical scientific publications of scientists made it possible to clarify the essence of the basic concept of the economic category "competitiveness", as "the ability of the subject of economic activity, using its own competitive advantages and opportunities, to occupy a high position in the market, trying to constantly increase it, competing in real time with other subjects of economic activity in a certain similar field".

2. The conducted research makes it possible to assert the importance of ensuring the competitiveness of small business enterprises, as a mobile link of the country's economy, which is actively developing and has great prospects. This made it possible to improve the definition of the concept of "competitiveness of small business enterprises" as "the ability of a small business enterprise to function effectively on the market in comparison with competitors of a similar industry, through the production of products that are more profitable in most parameters, their sale on more attractive terms for the consumer and taking into account the potential, capabilities and limitations of the enterprise itself, constant search for optimization of production and implementation stages, as well as faster, compared to direct competitors, adaptation to changing internal and external factors of influence and the use of tools to ensure their competitiveness".

3. Study of the peculiarities of the functioning of small business enterprises in foreign countries and Ukraine, study of relevant regulatory documents that

determine their creation and activity, made it possible to highlight the qualitative and quantitative features of the functioning of small business entities (as certain established by legislative criteria in each country, which corresponds to the specifics of the development of its business sector) and to form the main advantages (the ability to quickly respond to changes in consumer demand ; rapid saturation of the market with products and services; the ability to adapt to market constraints; high speed of innovation capital turnover; the creation of the largest number of jobs; the need for a relatively small amount of capital; the impact on the weakening of the monopoly; etc. perception of small business as more risky in relation to large business; suppliers and shop owners favor large enterprises; lack of effect of mass production; lack of internal specialization; the presence of strict state regulation) their functioning.