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**EXPLANATORY NOTE  
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TO OBTAIN THE MASTER'S DEGREE**

**Topic: " Scientific and applied aspects of the formation of strategic  
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## **Introduction**

**Relevance of the topic.** The modern operating conditions of enterprises are determined by fierce competition, dynamic market conditions, consumer demand, modern innovative business trends, the ever-changing nature of the external environment and the instability of the internal environment. In such conditions, it is extremely difficult to plan development, which is why more and more enterprises are forced to choose a strategy for managing the life support of the enterprise. For this, the enterprise needs to efficiently and rationally use available resources and factors of production to achieve maximum profit in conditions of limited natural, material, financial, labor and informational resources. Therefore, under the mentioned conditions, the urgent question of determining the strategic vectors of life support management of the industrial enterprise's activities arises more than ever.

In the conditions of intensifying competition on the markets of consumer and industrial goods, domestic manufacturers are constantly searching for ways maintenance own competitiveness and competitiveness of the offered products.

The strategy of managing the life support of the enterprise is based on general principles and methods inherent in management processes. The main goal of such management is to ensure a stable financial condition as a result of timely response to changes caused by the external environment (economic, political, social, international metamorphoses) and rational use of available resources and factors of production (capital, land, personnel, entrepreneurship and information) through the introduction in the action of stimulating vectors of the development of management of life support activities, which make it possible to eliminate financial complications at the enterprise and overcome the symptoms of bankruptcy and production decline.

In modern conditions, the functioning of the enterprise depends on skill anticipate changes in time and adapt their activities accordingly, create conditions and ensure the achievement of established goals. A significant contribution to the development of scientific approaches to improving the process of managing the life

support of the enterprise in strategic management was made by domestic and foreign authors, such as: I. Ansoff, O. Aparshina, D. Babmindra, I. Balabanov, I. Blank, M. Bondarchuk, I. . , O. Kendyukhov, A. Kovalev, D. Krylov, T. Krylova, P. Krush, O. Lepyokhin, T. Mostenska, V. Nyzhnyk, O. Ponomarenko, S. Ryzhov, K. Romanchuk, E. Stoyanova, A. Cherep, O. Shatailo, A. Sheremet, Z. Shershnyova, M. Yastremska and others.

Despite the large number of scientific and practical studies, the problem of developing methodological bases for the assessment of strategic management vectors for the life support of an industrial enterprise and practical recommendations for optimizing resources and production factors to ensure strategic management remains insufficiently resolved. The process of managing the life support of the enterprise involves the use of all the resources available at the enterprise, taking into account innovative technologies, the organization of production in order to increase indicators: labor productivity, return on capital, material intensity and financial stability, solvency, which ensures the achievement of set goals in the conditions of a changing market environment.

Inadequate development of the methodological principles of assessment and analysis of strategic management vectors of life support activity of an industrial enterprise determined the topic of scientific research, its goals, tasks and main directions.

**The purpose and tasks of the research.** The purpose of the study is the justification and development of theoretical, methodological and practical principles for the formation of strategic management vectors of life support activities of an industrial enterprise.

The set goal involves solving the following tasks of a theoretical, methodological and practical-recommendatory nature:

- to investigate the conceptual and categorical apparatus of life support enterprise activities;
- generalize the constituent elements of the enterprise's life support activities, which cover all types of functioning and production factors;
- generalize the integral model of the management principles of life support of the enterprise;

- determine the essence of the concept of "strategic management of the life support of the enterprise";

- to investigate and assess the level of livelihood of enterprises in the construction industry, to determine the dynamics of indicators of the probability of bankruptcy;

The object of the study is the process of forming strategic vectors of life support management of construction enterprises.

The subject of the study is a set of theoretical and methodological, methodological, practical provisions for the formation of strategic vectors of life support management of construction enterprises.

# **CHAPTER 1 THEORETICAL AND METHODOLOGICAL FUNDAMENTALS OF LIFE SUPPORT MANAGEMENT OF CONSTRUCTION ENTERPRISES**

## **1.1. Essence and content concept "life support activity enterprises"**

In the conditions of socio-economic and political instability, the problem of life support of enterprise activities is becoming more and more important, as it reflects the totality of processes occurring in the enterprise and serves to support its life and functioning. The basis of activity of any business unit, regardless of the field and size, should always be aimed at obtaining profit and, additionally, the effect for society.

Today, enterprises have already "grown" from the simple process of creating a product (service), modern managers understand that the task of effective and long-term existence of the enterprise on the market is the loyalty of consumers to the product provided by the business. Every industrial enterprise has a mission, the achievement of which is the basis of its functioning. To achieve the mission, strategy and tactics are developed, goals and objectives are formed in each separate area where expenses were incurred. Minimizing costs is another important task, creating conditions for the achievement of which an industrial enterprise can count on the life support of its business.

The concept of "sustainability of the enterprise's activity" is closely related to the vital activity of the enterprise, because it is its key component, which, under rational management, ensures the effective development of the enterprise.

Therefore, for a better understanding of the essence and content of the concept "life support activity enterprises" on our view necessary first interpret the concepts of "life activity" and "life activity of the enterprise".

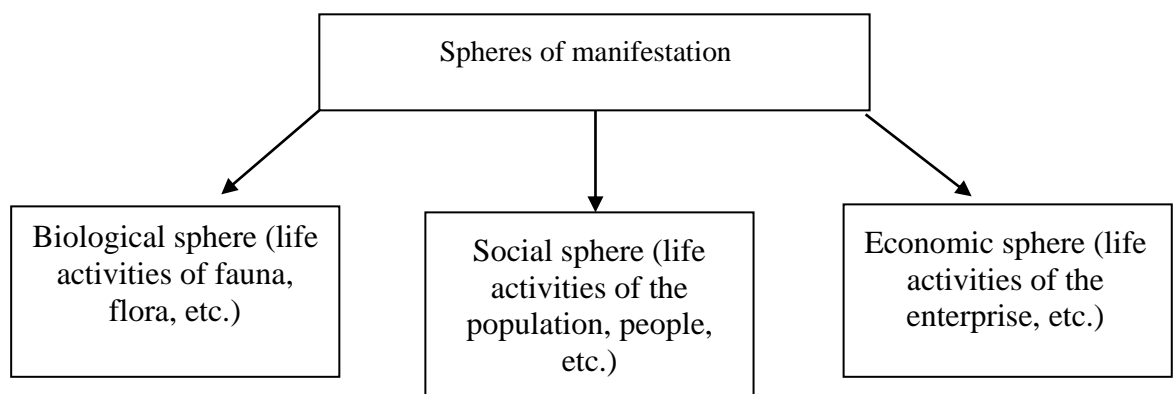
In modern turbulent conditions, the emergence, functioning, development

and prosperity of an enterprise is a complex, rather long process, the effectiveness of which depends on internal and external (outgoing) factors. However, maintaining the standard of living is an urgent task at every stage of an industrial enterprise's existence.

In the dictionary of the Ukrainian language, the concept of "life activity" is considered in the direct sense as "a set of vital functions of the organism", and figuratively - "action, functioning of something" [1, p. 534].

Ukrainian researcher O. V. Lepyokhin, when interpreting the concept of life activity, applies a functional approach and claims that it "a system of certain abilities for certain actions, in particular: abilities to ensure defined or planned parameters of everyday activity, abilities for active and passive activity, for dynamic development; capabilities for interaction and interrelation between components involved in the activity [2, p. 172 ].

A thorough analysis of scientific literature and sources gives reason to assert that the concept of "life activity" is not interpreted separately, but is often connected with such concepts as "man", "population", "natural world", "enterprise", "organization", etc. That is, the specified scientific definition is primarily manifested in the social, biological and economic spheres (Fig. 1.1).



Rice. 1.1. Spheres of manifestation of the life activity process

Based on the fact that the immediate subject of our scientific research is the "life support of the enterprise's activities", we will dwell on its thorough analysis later.

In the table 1.1 briefly consider the interpretation of the concept of "life activity" by Ukrainian scientists in the social aspect.

**Table 1.1**

**Social aspects regarding the interpretation of the concept of "livelihood"**

Author, source	Definition of the concept
Law of Ukraine "About rehabilitation of the disabled"	human life activity – the ability of a person's organism to participate in life activities/occupational participation in the manner and within the limits normal for a person [3].
Encyclopedia modernof Ukraine	life activity of the population is a set of processes that characterize the peculiarities of the biological and social activity of people in a competitive environment. They consider the life activities of people as biological beings and as social individuals. The first approach includes the processes of reproduction of the population through birth and mortality, as well as the physiological activity of the human body, expressed in its health [4].
S. V. Ryzhov	life activity - a regulated state of the environment, in which, according to current legislation, regulations, comfortable and safe interaction of a person with its components is ensured, prevention of deterioration of environmental conditions and labor protection, occurrence of danger and actions in emergency situations [5, p. 261–262].

Note: formed by the author based on [3; 4; 5]

By the way, it should be noted that the manifestation of vital activity in the social sphere is related to the physiological processes of a person, therefore the biological factor is an essential and integral feature of this process.

The definition of the concept of "enterprise activity" in domestic and foreign science is in the process of formation and theoretical and methodological justification. This is due to the fact that, firstly, no clear standard has been developed at the international level regarding the interpretation of this concept, and secondly, in our country today there is no clear interpretation of the concept of "enterprise activity" in normative legal acts.

Therefore, the definition of "enterprise activity" is ambiguous and theoretically debatable in domestic science. In particular, domestic researcher O. V. Lepyokhin, using a functional approach, defines it as "a set of production-marketing, innovative, financial-economic capabilities that regulate the enterprise's activities in the external environment and encourage increased competitiveness" [2, p. 174] and notes that the need to determine the problems of life support arises regardless of the current stage of the enterprise's life cycle [6].

Other Ukrainian researchers, on the contrary, connect the vital activity of the enterprise with the stages of the life cycle of all types of activity: operational, innovative, logistical, managerial, in addition, they emphasize the impact on vital activity of economic and financial security and competitiveness [7].

Also, it should be noted that scientists often use different approaches when studying the essence and content of the concept of "enterprise activity". We agree with O. V. Lepyokhin, who singles out six approaches to understanding the essence of the concept of "enterprise activity": economic activity, financial activity, marketing activity, security, analytical and market approaches [2, p. 172].

Some researchers connect the life process of the enterprise with its economic (business) activity. So, for example, Krush P. V. claims that economic activity is "...practical work that ensures the vitality of the enterprise, improving its results" [8]. A. V. Cherep notes that such an aspect of the economic activity of the enterprise as cost management has a significant impact on the life of the enterprise [9, p. 3].

Many Ukrainian and foreign scientists (O. M. Yastremska, G. V. Vereshchagina, O. V. Avramenko, G. V. Savytska, E. S. Stoyanova, T. B. Krylova, I. T. Balabanov, I. Blank .O

in modern conditions of economic development. At the same time, the researcher O. V. Myshko generally states that "the life activity of the enterprise is a complex process that is the result of continuous cyclical movement of funds" [13].

Other researchers apply a marketing approach to the interpretation of the concept of "enterprise activity". Yes, Biletska N.P. notes that "the main form of economic activity of enterprises in the conditions of a market economy is marketing" [14].

A security approach to interpreting the essence and content of the company's vital activities is common among scientists. After all, they emphasize the significant impact of financial and economic security on the vital activity of the enterprise [7, c. 95-138; 8]. We would like to note that, in our opinion, the identification of financial and economic security with the vital activity of the enterprise by some scientists is erroneous. A thorough and complex analysis of the scientific literature [7, 6, 8, 10, 11, 14] showed that the vital activity of the enterprise is broader in essence and content of the concept, because it includes various types of its activity (financial, economic, innovative, marketing, etc.) and security (in addition to financial and economic, for example, environmental, informational, etc.). Therefore, financial and economic security is an important component that ensures the vital activity of the enterprise.

Analytical approach to understanding the vital activity of the enterprise consists in the fact that researchers carry out analysis and evaluation of this process. It should be noted that the study of economic literature gives grounds for asserting that scientists, researching the issue of analysis and evaluation of the enterprise's vital activities, pay considerable attention to the following aspects:

- financial stability and sustainability of the enterprise [7; 10; 11];
- efficiency of enterprise activity [6; 9; 10];
- problems of financial and economic security [7; 8],
- the competitiveness of the enterprise [7; 15].

The market approach is that it singles out two main processes that significantly affect the life of construction enterprises, namely competitiveness and innovativeness. Scientists G. L. Azoev and A. P. Chelenkov claim that "a high level of competitiveness is the main condition for the vital activity of an enterprise" [15, p. 4]. Other researchers note that "innovations are an effective means of competitive struggle, the successful use of which allows maintaining the stable dynamics of the enterprise's life in a positive direction" [7, c. 9].

Burmann K. connects the vital activities of enterprises with the possibility of using market potential and intangible organizational opportunities for increasing the value of enterprises in the future and ensuring their further development [16].

Thus, based on the analysis of the market approach of the essential content of the category "life activities of the enterprise", it is possible to propose the following market mechanism of the life activities of the enterprise (Fig. 1.2)

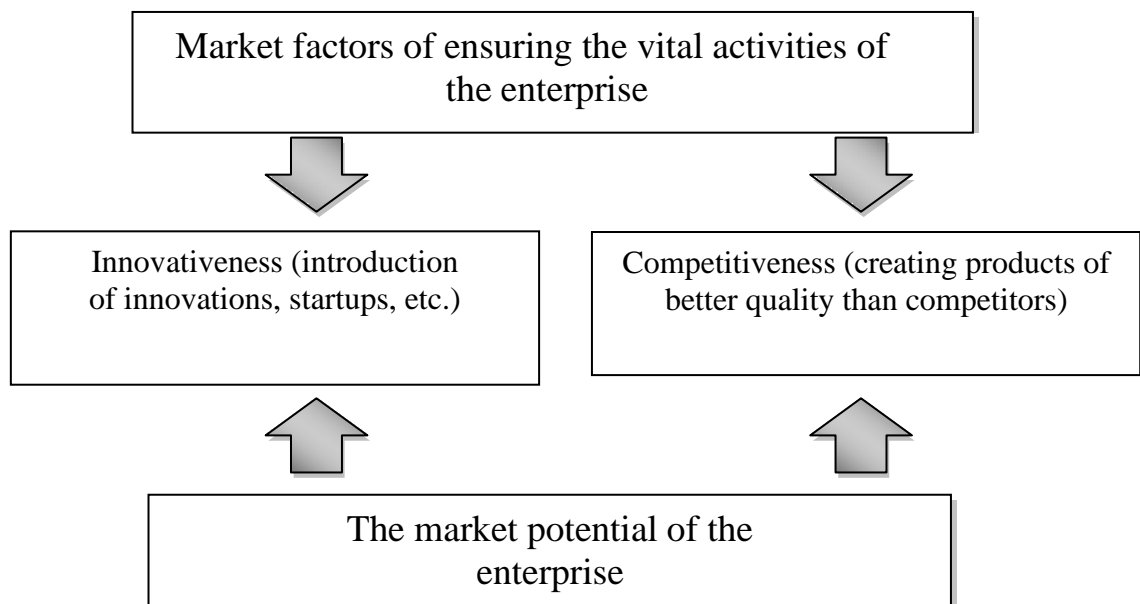


Fig. 1.2. The market mechanism of the enterprise's life activity

So, we agree with the opinion of O. V. Lepyokhin, who notes that the life of the enterprise is a complex step-by-step process of development under the influence of a large number of elements. The structures of internal divisions (departments, services, branches, etc.) and various adjacent external general economic and specially created structures in the region participate in ensuring the vital activity of enterprises" [2].

Also, in our opinion, an important component in the life process of the enterprise, including the one on which the successful development or revival of the enterprise depends on the stages of its life cycle, is the life support of its activity.

It should be noted that today there is no unified definition "subsistence of the enterprise's activities", as well as the issues that characterize this category remain debatable.

Therefore, an important component in the life support of an industrial enterprise is its resources. For example, O. V. Lepyokhin notes that "the quality of life support is a rational arrangement of the enterprise to use all available resources that allow it to function and continue its activities" [6, p. 41].

Therefore, for a better understanding of the essence of the enterprise's life support, let's analyze the concept of "enterprise resources", and then the concept of "factors of production" that is close to it

It should be noted that the concept of "resource" is used in various spheres, branches of society, as well as sciences, scientific directions, schools or individual scientific studies. In the table 1.2 defines the concept "enterprise resources" from an economic point of view in the works of foreign and Ukrainian scientists [17; 18; 19; 20; 21; 22; 23].

It should be noted that in modern economic literature there are different approaches to the classification of enterprise resources. Yes, Zakabluk G. O. [24, c. 89] claims that resources are classified according to the following characteristics: by origin; by nature of use; by production; according to the method of reproduction.

Scientist O. I. Aparshin emphasizes that there are many different classifications of resources [25] and notes that they can be considered: according to physical content, according to purpose in the production process, according to the degree of use in the production process. In his work, L.I. Lopatnikov [26] considers resources as a set of natural, production-technical, organizational, and social factors. In our opinion, the classification of resources proposed by S. V. Volkova [27], which distinguishes between resources - assets and resources-liabilities, is interesting. It refers to assets-resources non-current and current assets, and to resources-liabilities - own, long-term and short-term involved sources of their formation.

**Table 1.2**

**Interpretation of the concept of "enterprise resources"**

Author	Definition
Mocherny S. V.	The main elements of the production potential that the system has at its disposal and that are used to achieve specific goals of economic development [17, p. 206].
Okorokova L. G.	A set of resources, stocks, sources, means and objects of work that are available at the enterprise and that can be mobilized and put into action, as well as used to achieve its goals [18, p. 174].
Goncharov S. M.	natural, raw material, material, labor, and financial values that can be used if necessary to create products, provide services, and obtain additional value [19, p. 264].
Kholod B. I., Vorobyov Yu. M.	a set of means by which a business entity can achieve a goal and obtain the expected result [20, p. 19].
Mamaluy O. O.	capital of the firm, i.e. a good, the use of which makes it possible to increase future benefits [21, p. 133].
S. I. Tereshchenko	a set of tangible and intangible elements that directly or indirectly participate in the production process. A feature of the category of resources is their reproducibility, which is carried out both in the form of consumer value and in the form of value [22, p. 194].
Dovhal N. S.	a set of separate elements that directly or indirectly participate in the process of production of goods or provision of goods [23, p. 43].

Note: formed by the author based on [17; 18; 19; 20; 21; 22; 23]

In general, the analysis of the economic literature gives reasons to single out the following criteria for the classification of resources.

The most common is the classification of enterprise resources by physical content, which involves dividing them into five main types of resources: material, labor, intangible, financial and informational. Although it should be noted that many scientists, according to this criterion, distinguish four types of resources, namely: material, human, financial and informational [28, p. 428; 29, p. 3].

In our opinion, time is an important resource aspect of the enterprise's life support, because as a resource, it plays an important role in the management and organization of the functioning of an industrial enterprise and can act as an advantage among competitors. It should be noted that in the scientific literature, not enough attention is paid to highlighting the essence and role of one of the most important resources of the enterprise - time. This is a special and the least studied resource from a scientific point of view.

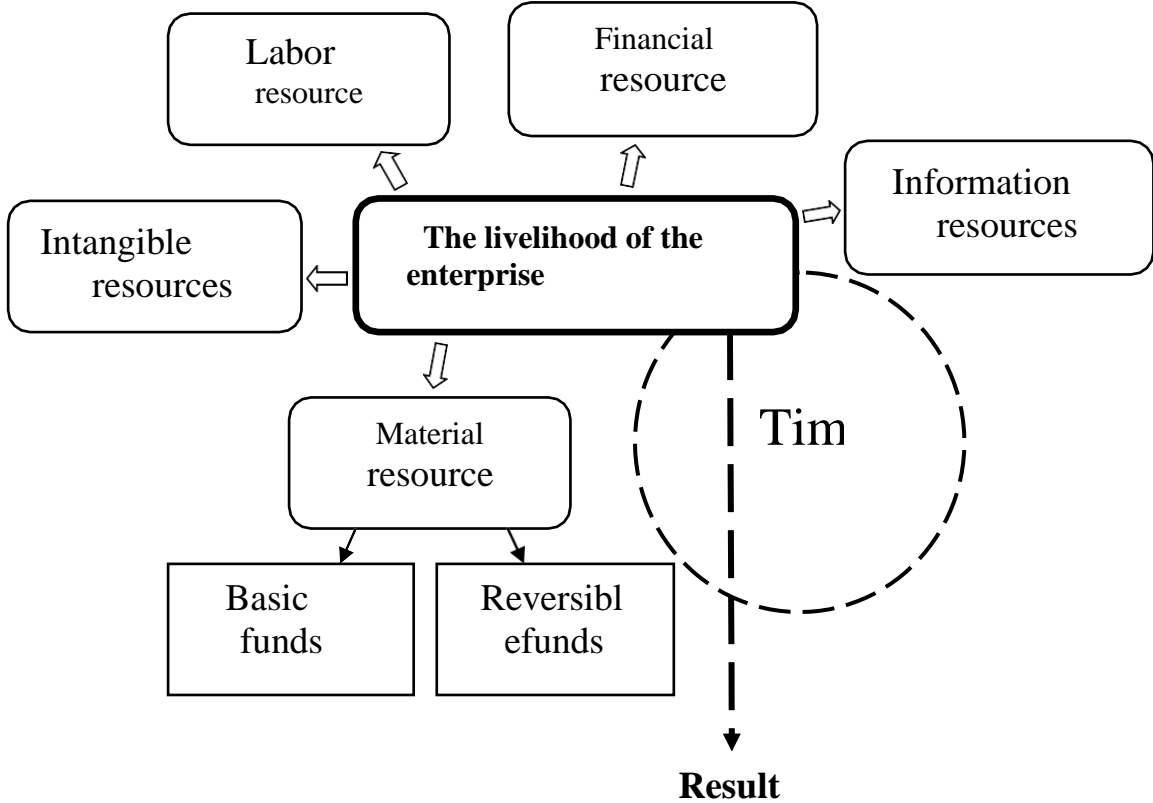
The economic encyclopedia gives the following definition: "temporal resources are the time fund that the system has to realize the purpose for which it exists." Time resources are associated with the use of technical and labor (personnel) resources [17, p. 208]. All production processes, management, as well as all types of human activity in general, are formed and develop over time. According to L. I. Skybitska, time is a unique resource [30]. Characterizing the features of time as a resource, Peter F. Drucker noted: "Time is the most scarce resource, and if it is not managed, then everything else remains unmanaged..." and

"if you don't know how to manage it, you won't be able to manage anything else" [31].

Integrated and comprehensive consideration of the resources of an industrial enterprise in the process of managing its livelihood, including taking into account time as a resource of the enterprise, will contribute to its achievement of positive results in the process of its life activities (Fig. 1.3).

It should also be noted that in the scientific literature and research devoted to resources, along with the concept of "enterprise resources", the concept of "factors of production" is often used. In general, it can be argued that there are two main approaches among scientists

comparison of the specified scientific definitions. The first approach is that the economic resources used at the enterprise are identified by some researchers with factors of production (Panchyshyn S. [32], Mocherny S. V., Larina Y. S., Ustinko O. A., Yuriy S. I [33], Komarnytskyi I.F. [35], etc.) That is, these scientists believe that there are no significant differences between these concepts, and they can be used as synonyms.



**Rice. 1.3. A resource approach to determining the essence of "life support enterprise activity"**

The second approach clearly delimits these concepts, emphasizing that the concept of "resources" as an obligatory element of the enterprise's activity has a potential character, and the economic category of factors of production is characterized by what means real involvement in the production process (Biletska L. V. ., O. V. Biletskyi, V. I. Savych [34], K. V. Romanchuk [35], Z. Vatamanyuk [36], etc.).

## **1.2. Conceptual provisions on the formation of the life support management system of the enterprise**

Despite the significant scientific contribution to research related to the issues of enterprise life management, the aspects of its management are insufficiently covered. Currently, there is a lack of works in domestic science that would comprehensively consider the components and problems of managing the life support of the enterprise.

Mainly, theoretical studies in our country are aimed at the problems of the vital activity of the enterprise, and often in the prism of its life cycles, and the management of the life support of the activity of the enterprise, if considered at all, is very superficial or primarily as an appendage to its resource provision. In our opinion, this leads to the narrowness of the theoretical foundations of the activity and development of construction enterprises of Ukraine and to the creation of imperfect concepts, theories and programs regarding the management of life support activities of the enterprise.

Therefore, new developments of scientifically based methodological recommendations regarding the management of life support activities of construction enterprises are necessary. This will enable our state to rationally and effectively implement its strategic vectors in the sphere of life activities of construction enterprises.

It should be noted that the issue of methodology is quite complex and multifaceted, as this concept is interpreted differently among scientists. For example, Voytovych R. in his scientific work gives the following definitions of the methodology of scientific research:

- a system of scientific principles on which the research is based and the selection of a set of cognitive tools, methods, and techniques of research is carried out;
- teaching about the scientific method of cognition or the system of

scientific principles on the basis of which research is built;

- theory of research methods, creation of concepts as a system of knowledge about the theory of science or a system of research methods;
- the general form of organization of scientific knowledge (scientific and cognitive activity), which includes the principles of its construction [58, c. 5].

In the management dictionary, methodology is defined as "teaching about the system of principles, stages and methods of organizing and implementing theoretical and practical activities" [59, c. 145]. We believe that the theory and practice of sustaining the activities of an industrial enterprise in the modern market environment should proceed and be based on the principles and methods of management (management) and not contradict them. Therefore, we consider it expedient to start the analysis precisely with the interpretation of the essence and content of the principles of management (management) of the enterprise.

We agree with the point of view of American scientists McConnell K.R. and Brew S.L., who believe that these principles are "generalized ideas about the behavior of individuals and institutions" [60, p. 7], and continue that the concepts of "law", "theory" and "model" are synonymous with the concept of "principle" [60, p. 8].

First, we consider it expedient to dwell in more detail on the analysis of the principles and methods of management, which were studied and considered in the scientific works of the founders of management and practitioners, namely: Fayol A., Taylor F., Emerson G. It should be noted that the principles of the management method studied by us, based on the extrapolation method, it can be applied directly or indirectly in the process of managing the life support of construction enterprises (Table 1.5).

Table 1.5

**Principles of managing the life support of the enterprise according to A. Fayol.**

The name of the principle	A brief description
1. Division of labor	It is a natural phenomenon. The main goal of the division of labor is to increase the quantity and quality of production with the same effort. As a result the division of labor at the enterprise is the specialization of management functions and the division of power.

2. Power	The essence of power in an enterprise is the right to give orders and the power to obey them. Power is unthinkable without responsibility, that is, a system of sanctions (reward, punishment, etc.). etc.)
3. Discipline	In the general sense, discipline at the enterprise is compliance agreements, the subject of which is obedience, diligence, activity and external signs of respect.
4. Unity of disposition (command)	It consists in the fact that the employee must receive orders (regarding any action) only from one immediate superior.
5. Unity of leadership	This principle consists in the following position: one manager and one program for a set of actions at the enterprise, pursuing one and the same same purpose
6. Subordination of private interests general	This principle is characterized by the fact that interests employees should not be placed above the interests of the enterprise
7. Remuneration of staff	Remuneration of personnel is payment for work performed at the enterprise. It should be fair and, if possible, satisfy the staff and the enterprise
8. Centralization	Like the division of labor, there is centralization natural a phenomenon In a larger or to a lesser extent, the process of decentralization is always present at the enterprise.
9. Hierarchy	This is a series of management positions, starting with the highest and ending with the lowest.
10. Order	The essence of this principle is revealed in the following provision: a certain place for each employee at the enterprise and each employee at his place.
11. Justice	Justice is a combination of kindness and justice. When practical for its implementation at the enterprise, it needs common sense, great experience and kindness.
12. Constancy of staff	High staff turnover reduces the efficiency of the enterprise. However, changes in personnel are inevitable at the enterprise. Therefore, the principle of stability of the workforce has its measure on the enterprise.
13. Initiative	The main purpose of this principle is the possibility of creation and implementation plan at the enterprise. Freedom of proposal and implementation of tasks at the enterprise also belongs to the category of initiative.
14. Unity staff	Unity, harmony of personnel is a great driving force at the enterprise.

Note: formed by the author according to [61]

Henri Fayol is a theorist and practitioner of management, the founder of the administrative (classical) school of management in his fundamental work "General and Industrial Management" (1923), noted that the number of management principles that can be used at an enterprise is unlimited, because in his opinion, any rule, management tool that strengthens and facilitates the operation of the enterprise takes its place among principles [61]. Therefore, he singled out 14 basic general principles of enterprise management.

It should be noted that Fayol A. [61] was one of the first to apply the

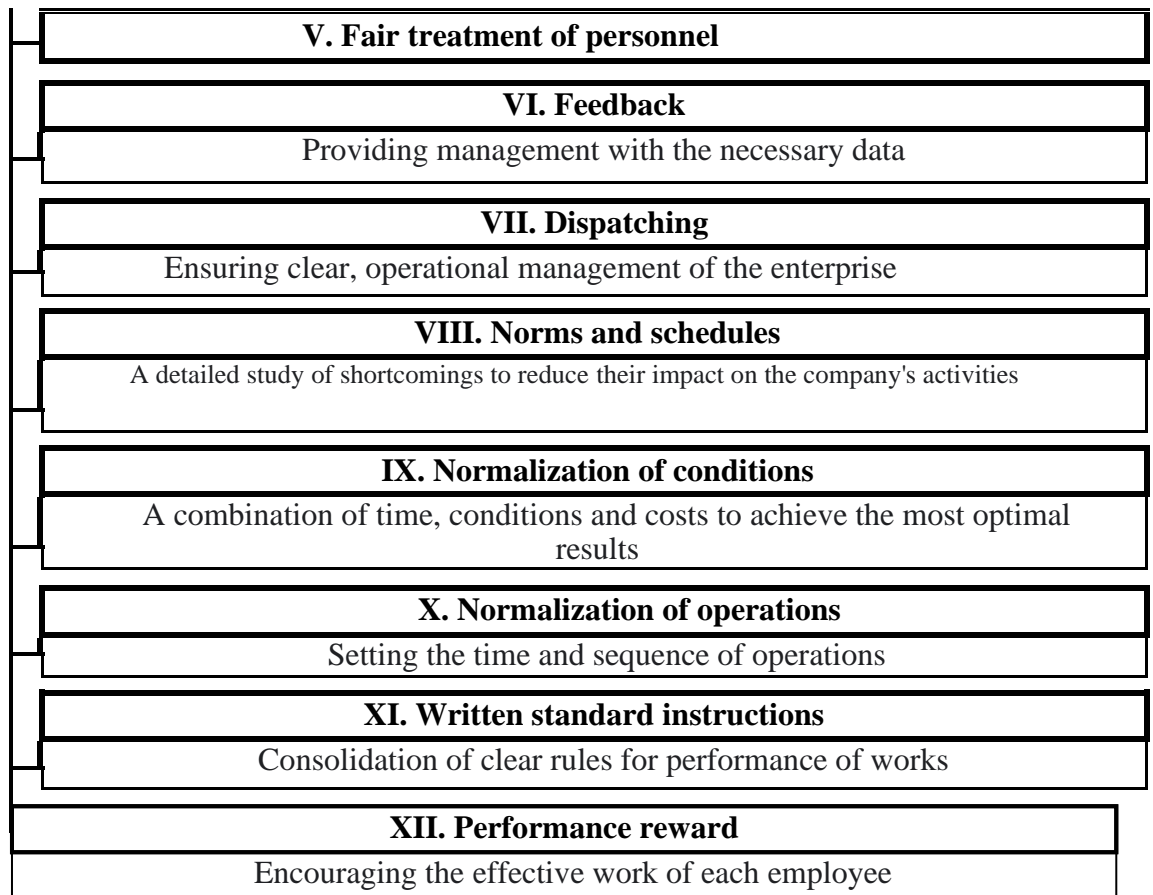
functional principle during the study of the organizational structure and management system of the enterprise.

Another famous scientist Taylor F. [62] in his scientific work "Principles of scientific management" (1911), identified a number of principles and methods of scientific organization of work, based on the study of the worker's actions with the help of timekeeping, standardization of techniques and work tools. He formulated the following principles of scientific management:

- development of optimal methods of work performance based on the scientific study of time spent, actions and efforts of employees;
- absolute compliance with standards developed on a scientific basis, etc.;
- selection, training and placement of employees for those jobs and tasks in which they will be most useful;
- payment by results;
- using functional managers, What carry out consideration of work and control of specialized areas of work;
- maintaining friendly relations between workers and managers in order to ensure the possibility of scientific management [62].

In our opinion, an important process that will contribute to the creation of optimal conditions for managing the life support of the enterprise is its productivity and efficiency. These concepts were introduced into scientific circulation by the American scientist Emerson H. [63] (Fig. 1.9).

<b>Principles of productivity</b>	
	<b>I. Accurately set goals</b>
	Unification of all goals and ideals of the enterprise from top to bottom in such a way that all they acted in the same direction
	<b>II. Good sense</b>
	The need to carefully develop healthy ideals to solve problems
	<b>III. Competent consultation</b>
	Implementation of competent advice at all levels of the enterprise's life activity
	<b>IV. Discipline</b>
	Creation of detailed written instructions, compliance with rules and schedule



**Rice. 1.9. Principles of labor productivity in the context of management of life support activities of the enterprise according to Emerson G.**

After analyzing the principles of management of the founders of management Fayol A., Taylor F., Emerson H., an integral model of the principles of managing the life support of enterprises was developed, which should be used in the process of managing the life support of enterprises by dividing them into two large blocks: administrative-organizational and organizational-social (Fig. 1.10).

The first block – administrative – organizational consists of the following principles:

- goal orientations - direct the management of life support activities of enterprises to achieve the mission and general goals and fulfill the set tasks;
- authoritative principles - establish a system of managerial influence in the process of managing the life support activities of enterprises and ensure the formation of the institution of responsibility at the enterprise, through the application of a rational system of sanctions (rewards, punishments, etc.). It

should be noted that responsibility is inseparable from power and administrative management at the enterprise. In our opinion, the principle of unity of command, which is called unity of command (command) by A. Fayol, should be included among the principles of authority in the management process;

- organizational principles - ensure the creation of a structural "structure" of the life support management process of enterprises and the distribution of powers and responsibilities among its personnel. In our opinion, they include the following principles:

- division of labor - involves the division of labor during the management of life support activities of construction enterprises into separate types of work, functions or operations. It should be noted that the management process is organized on the basis of this principle, the organizational structure of the industrial enterprise is created, power is divided, etc.; - departmentalization (ensures the process of managing the life support activities of enterprises by the relevant structural units);

- Hierarchy – (this principle is based on a scalar chain of command, which shows a sequential and vertical line from the top manager to the bottom manager).

We also believe that in addition to the principle of centralization proposed by A. Fayol, decentralization laws or rules (in an optimal combination with centralization relations) should be applied to enterprises, which take into account an important aspect of organizational relations at the enterprise, such as the delegation of powers. Therefore, in addition to the specified organizational principles of managing the life support of enterprises, we offer the principle of optimal combination of centralization and decentralization of management - designed to create an optimal process of transfer of powers (delegation) by senior management to their subordinates, in order to achieve in the process of managing the life support of enterprises, a favorable socio-psychological

climate in workforce and effective results of the enterprise.

Based on this principle, an optimal situation is created at the enterprise in the system of distribution of management decisions, in which strategic decisions are made centrally, and tactical and operational management is carried out decentralized (based on the implementation of the organizational process - delegation).

The second organizational and social block consists of the following interconnected principles:

- taking into account the needs and interests of personnel - consists in satisfying the wishes (needs) and interests of employees of enterprises in the process of managing their livelihood in order to achieve its mission and general goals;

- discipline - provides for clear regulation of personnel activities at the enterprise, compliance with rules and procedures, conscientious performance by employees of their powers, as well as compliance with the requirements of the production process at the industrial enterprise, labor safety rules;

- the principle of motivation - consists in creating an effective and transparent system of motivation at enterprises, including in the process of managing their livelihoods, based primarily on incentive measures (fair payment for results, rewards, bonuses, allowances, etc.);

- the principle of justice is based on the fact that in the process of managing the life support of enterprises, managers must perform fair actions and decisions in relation to the staff, which are characterized by a dispassionate attitude to the truth, impartiality, honesty and legality. A manager applying the principle of justice at an industrial enterprise must consider justice with common sense and benevolence during his managerial activities;

- unity of interests of the staff and the enterprise. We would like to note that Fayol A. applies the principle of "subordination of private interests to common interests", which in our opinion is not quite correct in the modern conditions of development of construction enterprises. Staff interests and general interests

enterprises must be formed on certain parity bases. That is why we see the use of the principle of "unity of interests of the staff and the enterprise" in the process of managing the life support activities of enterprises. It consists in the fact that the general interests of the industrial enterprise must coincide and be coordinated with the interests of the personnel;

- the principle of efficiency and optimality - consists in increasing the efficiency and productivity of labor at the enterprise while maximizing profit at minimum costs. It should be noted that this principle is effectively implemented only when the industrial enterprise introduces innovations, modernizes the methods of labor organization at the enterprise and the management system, uses modern technologies, etc.;

- the principle of initiative - assumes that managers at enterprises provide the employee with a certain independence and creativity, the opportunity to exercise independent judgment during the performance of their powers and tasks;

- the principles of harmonious development of personnel - consist in creating such conditions at the industrial enterprise under which its personnel are revealed in the best way, work in complete unity and harmony. In our opinion, the important principles of this group are the principle of "correct selection and placement of personnel" and the principle of "permanence of personnel."

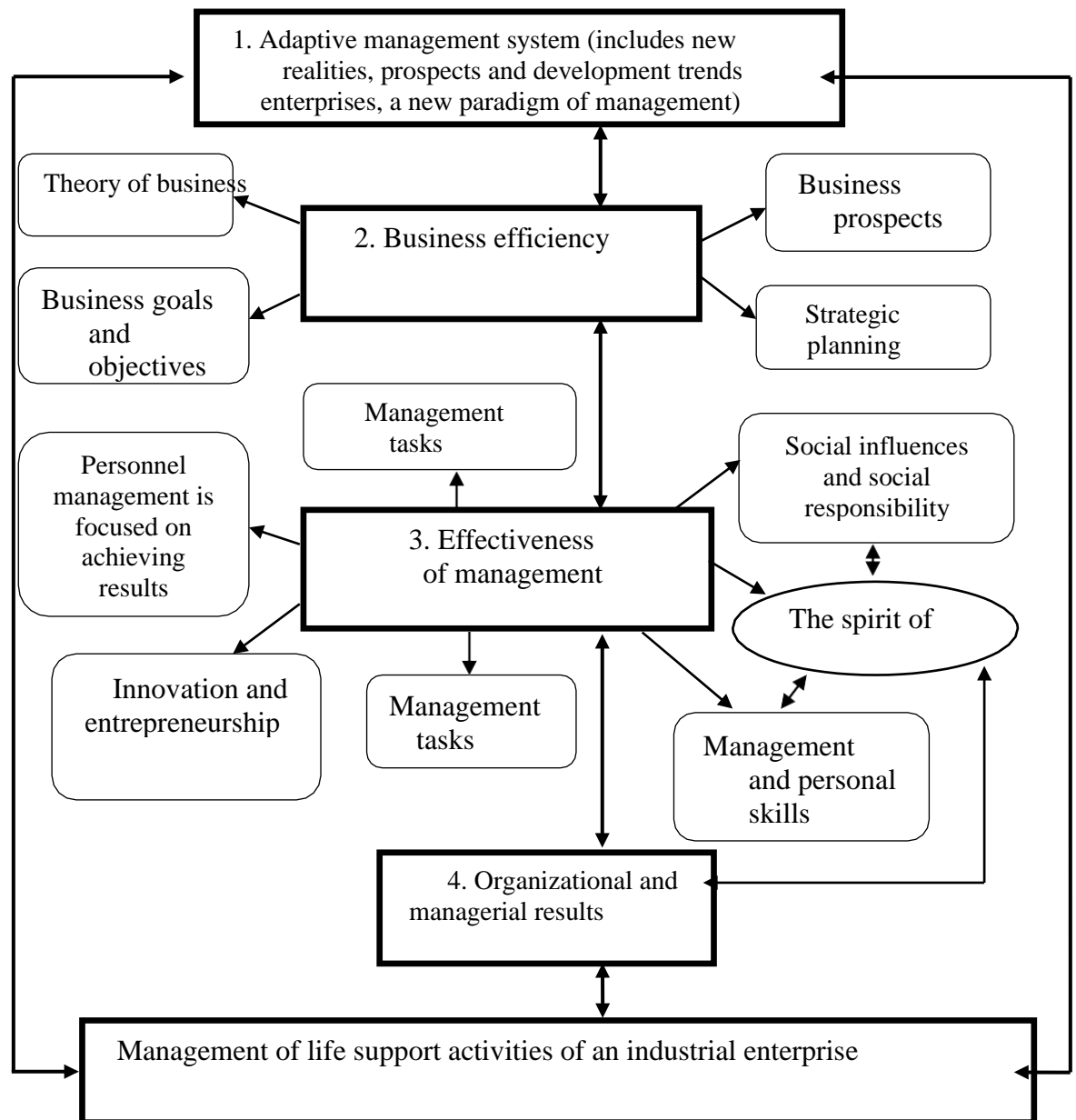
The following researchers in the field of management, taking into account the modern realities of production development, made a significant methodological contribution to the understanding of management principles that should be used in an industrial enterprise. Among them, it is necessary to note the scientific achievements of such foreign scientists and popularizers of the development of modern management as P. Drucker and I. Adizes.

The scientific works of another prominent researcher in the field of management, P. Drucker, are significant in scope and quite diverse. In his opinion, management consists of a large number of key (central) interconnected components. Therefore, for a better understanding of the principles offered by

this

scientist, in our opinion, it is necessary to apply a systematic approach when researching management at an enterprise.

In fig. 1.11, based on the generalization of the main works of P. Drucker, a methodological model of management in the context of the life support of the industrial enterprise is proposed.



**Rice. 1.11. Methodological model of life support management of industrial enterprise according to P. Drucker.**

1. component. Adaptive management system. The pace of development of the modern world is growing every year, constant changes are taking place in all spheres of society, including the economy. Globalization and integration processes, socio-economic crises, viral epidemics significantly affect the functioning and development of construction enterprises in both developed and developing countries. Therefore, P. Drucker believes that when carrying out general management at the enterprise, the management must be ready for new realities and predict what significant changes the enterprise expects in the future, determine the prospects and trends of the enterprise's development, what new management paradigms appear on the basis of new realities and shifts [64, p. 91].

Therefore, the management of the life support of the enterprise should take into account external factors, challenges and changes that arise in society, as well as quickly and effectively adapt to them.

2 component. Business efficiency. Enterprise management should be based on the concept that economic activity (business) should always be effective, that is, bring a positive result. P. Drucker offers four main components that ensure business efficiency [65]:

- business theory. It is the way in which a business intends to create value for its consumers.

Within the framework of business theory, the company defines its mission, analyzes its strengths and weaknesses in a competitive market environment, examines its target audience, and understands what are the essential results for it. And also determines what the theory of the enterprise should be, that is, directs management to look for opportunities for innovation. Thus, the theory of business establishes and explains the main vectors regarding the functioning and development of an industrial enterprise.

- business goals and objectives. An industrial enterprise to lead

To successfully run your business, you must clearly understand and correctly set goals for your activities.

Business goals should not exist in the business itself, but should be found in the public sphere, since any business enterprise is an element of the economic system. There is only one logical definition of the purpose of business - creating a client [64, p. 164]. Since the goal of a business enterprise is to create a customer, any enterprise has two basic functions - marketing and innovation.

Tasks should be based on the goals of the industrial enterprise and be based on what is the meaning of the business, what is its purpose and the main directions of implementation at the enterprise. This is a set of actions, the standards on the basis of which the effectiveness of its work is measured. Therefore, the task is a fundamental business strategy. According to P. Drucker, tasks should be formulated in the following eight areas:

- analysis of business prospects. An important factor for the survival of an industrial enterprise is the ability to analyze the events that have already occurred, not only through the prism of the present, but also taking into account the predicted consequences of such events that will affect the enterprise during the next one or two decades. In other words, "try to predict the future" and prepare for it.

Strategic planning. In order to transform goals and objectives into specific strategies for the development of an industrial enterprise and to concentrate resources on them, the enterprise needs to carry out strategic planning. It should be noted that strategic planning is primarily the application of thinking, analysis, imagination and evaluation. This is rather a sphere of responsibility than a technique [64, p. 197].

3 component Management effectiveness. As well as business efficiency, the following blocks can be distinguished in this component:

- personnel management - focused on achieving results.
- social influences and social responsibility.

In our opinion, an important element in the process of managing the life support of an industrial enterprise is social influence and social responsibility. According to P. Drucker's model, social responsibility involves the obligation of the company's management to make decisions and perform actions that increase the level of well-being and meet the interests of both society and the company itself. However, it should be noted that the main duty of the enterprise is to fulfill its mission and the results of this activity can be defined as social impact. If a company fails to achieve its goals due to misallocation of time and resources in an attempt to fulfill a certain social responsibility, it will not only be unable to solve social problems, but will probably cease to exist.

- management skills. The management system is a type of activity that requires special skills and abilities. Among them, the following can be distinguished:

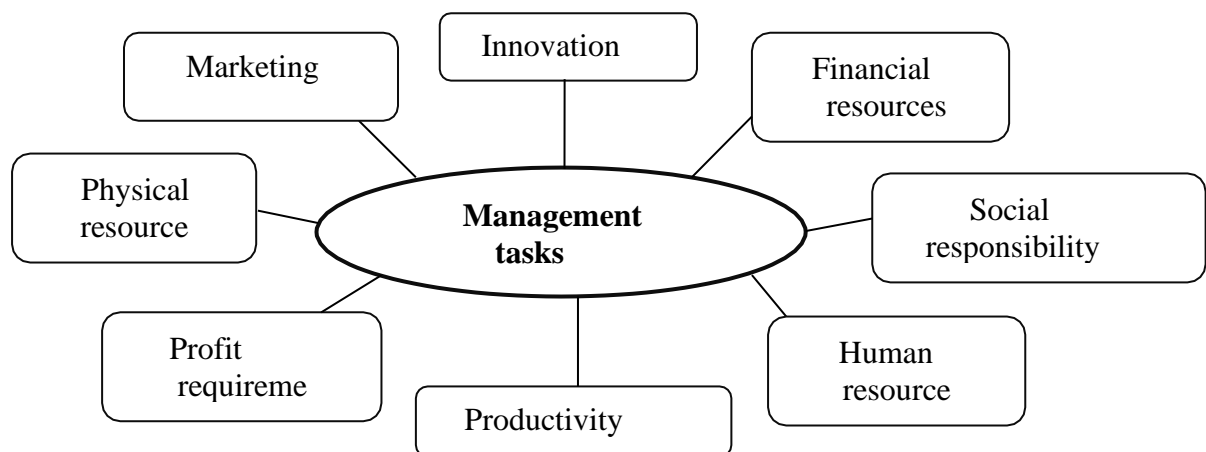
- making effective decisions;
- making effective personnel decisions;
- communications within and outside the organization;
- proper use of control mechanisms and measures;
- budgeting and planning skills;
- proper use of analytical tools, i.e. management science.
- innovation and entrepreneurship.

This component proposed by Drucker P. in the management system is fully consistent with our concept of researching the problems of managing the life support of an industrial enterprise, since innovation, entrepreneurship, and competitiveness are, in our opinion, key elements that ensure the life of an enterprise in modern market conditions of development. We agree with the opinion of P. Drucker, who believes that an enterprise that wants to develop its ability to innovate should resist and apply entrepreneurial management, i.e. entrepreneurial methods and techniques, in its practical activities [64,

with. 479].

Thus, in fig. 1.12 shows the view of P. Drucker on the management system, taking into account the management of the life support of the enterprise. As we can see, the American scientist considers management as an organically integrated structure (structure), which consists of interdependent blocks, which in turn consist of interconnected components. We also want to note that management tasks (it should be noted that they should primarily be aimed at ensuring the implementation of business theory) and personal and managerial skills should be considered as important principles of managerial efficiency and used to implement business theory at an industrial enterprise. These principles are directly related to innovation and entrepreneurship. Also, the principles of management in Drucker P.'s model are characterized by the fact that they should be aimed at developing the spirit of achievements in the enterprise, achieving organizational results and managing social impact.

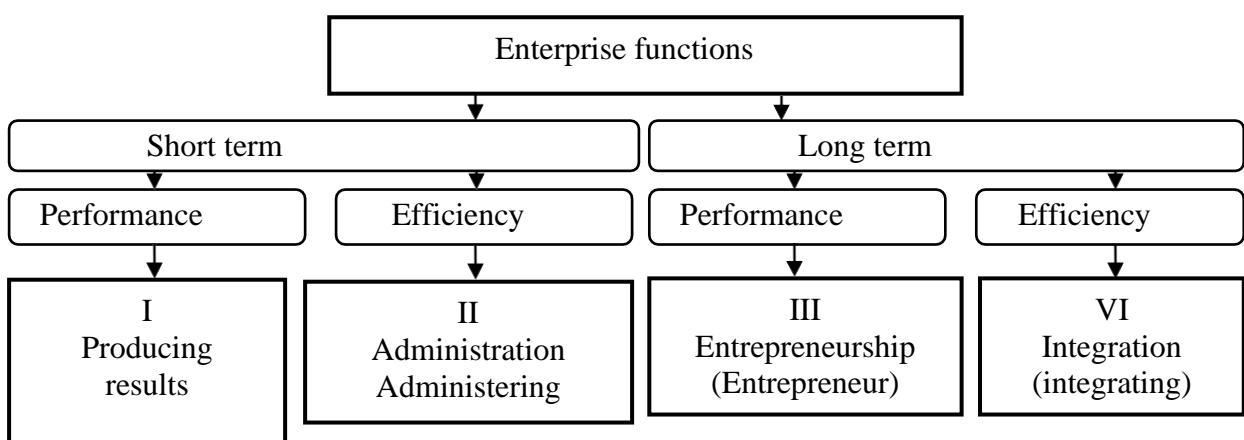
**Rice. 1.12. Areas of application of managerial tasks in the context of managing the life support of the enterprise**



I. Adizes uses a clearly functional approach to understanding management principles (the so-called PAEI principle). Which believes that management principles are based on the use of the following interrelated functions in construction enterprises.

According to the concept of I. Adizes, the function of producing results (Producing) is the first function that should be performed by the management system at any enterprise, including an industrial one.

The main principle in the performance of the function - the production of results, is that the enterprise must satisfy the needs of the consumer as best as possible, and thereby ensure effectiveness in the short-term period of the enterprise's activity. This feature is measured by the number of people who return to buy your competitive products or services (Figure 1.13).



**Rice. 1.13. A functional approach to the principles of management at industrial enterprise according to Adizis I.**

Note: built by the author on the basis of [68, p. 24]

The second function of administration (Administering) is implemented at an industrial enterprise in order to control the order in management and organizational processes that take place in its activities. The main goal of this function is to ensure a high level of efficiency of the industrial enterprise in the short term.

The third function is characterized by the fact that creative potential and innovativeness must be used at the industrial enterprise. This is achieved thanks to such a factor of production as entrepreneurial abilities. This function (Entrepreneur) consists in the fact that an entrepreneur approaches business creatively and is ready to take risks. If the company successfully copes with

by fulfilling this function, industrial products will be in demand among future consumers, which means that they will be effective in the long term

According to I. Adizes, the last function is integration (Integrating), which is aimed at creating such an atmosphere and a system of values at an industrial enterprise that will force employees to act together and prevent anyone from becoming irreplaceable, which makes enterprises effective in the long term [68, p. 24].

It is clear that there are other principles of management that can be applied during the management of life support activities of an industrial enterprise.

The application of the principles of life support management of the industrial enterprise is carried out with the help of various management methods. In the literal sense, the word "method" is translated from the Greek language as "the way to something", that is, it is a way, a means, a method of certain knowledge or research. In turn, management methods - "means (techniques) of purposeful influence on the labor team or on individual employees in order to achieve the goals of the organization or methods and techniques of influence of the management system on the managed at different levels and links of management (enterprise, division, service, etc.) [59, c. 143].

Considerable attention in domestic scientific circles is also paid to the issue of classification of management methods at the enterprise.

If you consider the classification of management methods, you can see that there are many approaches to their systematization and species distribution, often the same methods are in the plane of application of different classifications. It depends on the fact that each researcher of this issue sets different goals and objectives in the process of streamlining management methods for

enterprise, relying on the methodology system chosen by him and his own scientific and theoretical understanding.

We believe that among the main methods that should be used during the management of life support activities of construction enterprises are the following: economic, technological, administrative, socio-psychological and legal. Let's carry out their general characteristics.

Economic management methods. This is a set of economic tools and measures based on which the influence on managed objects is realized in order to achieve the material interests of the employee's participation in economic processes that take place in the process of managing the life support of enterprises.

The characteristic features of economic methods at construction enterprises are the following:

- they can manifest themselves at the macro level and the micro level.

Thus, an industrial enterprise, using economic methods, creates conditions for the unity of individual and collective interests, exerts an indirect influence on the production activity of an industrial enterprise by applying planned indicators that relate, for example, to the wage system, economic sanctions or bonuses, etc. The state through the application of wage policy, taxation system, financial and credit policy, economic permits or restrictions also affects the functioning and development of construction enterprises;

- on the basis of the use of the material motivation system at construction enterprises, they stimulate the initiative and responsibility of personnel for the consequences of decisions made and completed tasks and operations;

- they create favorable economic conditions for the development of construction enterprises, that is, they are methods of indirect (mediated) action.

The main types of economic methods in the process of managing the life support activities of construction enterprises are: planning of production (economic) activities, complex target programs, business

planning in the management of a food enterprise, a system of internal economic regulators, commercial calculation.

Therefore, economic management methods at construction enterprises ensure the creation of economic conditions that encourage their teams to study consumer requests, create, manufacture and service products that meet these needs and requests [75, p. 144].

Technological management methods. In the process of managing the life support of enterprises, their management also affects personnel through the use of technological and design documentation.

Thus, in the National Standard of Ukraine "System of technological documentation. Terms and definitions of the main concepts" is defined, a technological document is "a document that separately or together with other documents defines a technological process or a technological operation of manufacturing or repairing a product" [76].

We will describe some technological documents on the example of enterprises in the construction industry. Such important technological documents, which are used during the management of life support of construction enterprises, are technological instructions, which are implemented together with technical conditions (standards) and determine: the range of semi-finished products produced at construction enterprises; requirements for the quality and rate of consumption of raw materials; procedure for carrying out technological processes; packaging and labeling requirements; conditions and terms of storage and transportation, etc.

Design documents that are used at construction enterprises include - design design documentation (technical proposal, sketch design, technical design) and working design documentation (specification, assembly drawings, detail drawings, etc.)

Administrative management methods. At construction enterprises, they exert a direct managerial and regulatory influence on their activities and personnel. Administrative management methods are implemented through management

institutions within their competence in order to achieve the set goals and objectives at the industrial enterprise.

The characteristic features of these methods include:

- unlike economic methods, they exert a direct influence on the object of management at an industrial enterprise;

- have an imperative character, that is, they are mandatory and unambiguous in the process of implementing the set management decisions and tasks;

- failure to comply with orders, orders and other administrative instruments necessarily entails responsibility for the employees of the industrial enterprise.

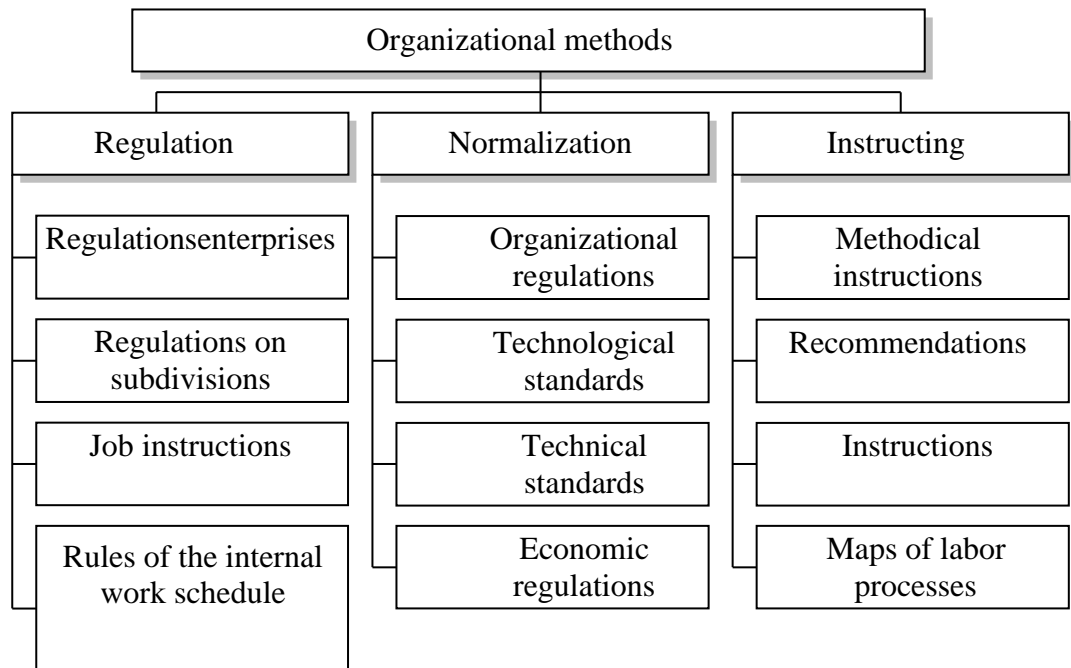
Among scientists, the approach of classifying administrative management methods at construction enterprises into three groups is common: organizational, administrative and disciplinary.

Organizational administrative methods. They are primarily used during the period of creation of new construction enterprises, or during the process of their reorganization in order to solve the primary tasks: selection, adaptation and transfer of personnel at construction enterprises, as well as conducting briefings for the labor team; development and definition of functional rights and responsibilities of each employee of an industrial enterprise and his place in the management and economic system; control over the implementation of set goals and tasks during organizational processes that take place at construction enterprises.

The specified methods in the process of managing the life support of construction enterprises are implemented on the basis of the application of the following tools - regulation, standardization and instruction (Fig. 1.14).

Management administrative methods. They make up a system of tools designed to formalize tasks, methods, and operations used in construction enterprises. In addition, these methods eliminate shortcomings and deviations that arise in the process of construction enterprises based on the application of orders and orders; recommendations, as well as conducting

meetings, consultations and other coordination procedures during the management of life support activities of construction enterprises.



**Rice. 1.14. Classification of organizational methods used in the process of managing the life support of enterprises**

Disciplinary administrative methods. The main purpose of applying these methods is to ensure effective and stable activity of construction enterprises through disciplinary tools and levers (sanctions), taking into account issues related to the responsibility of personnel during the performance of their functions at enterprises.

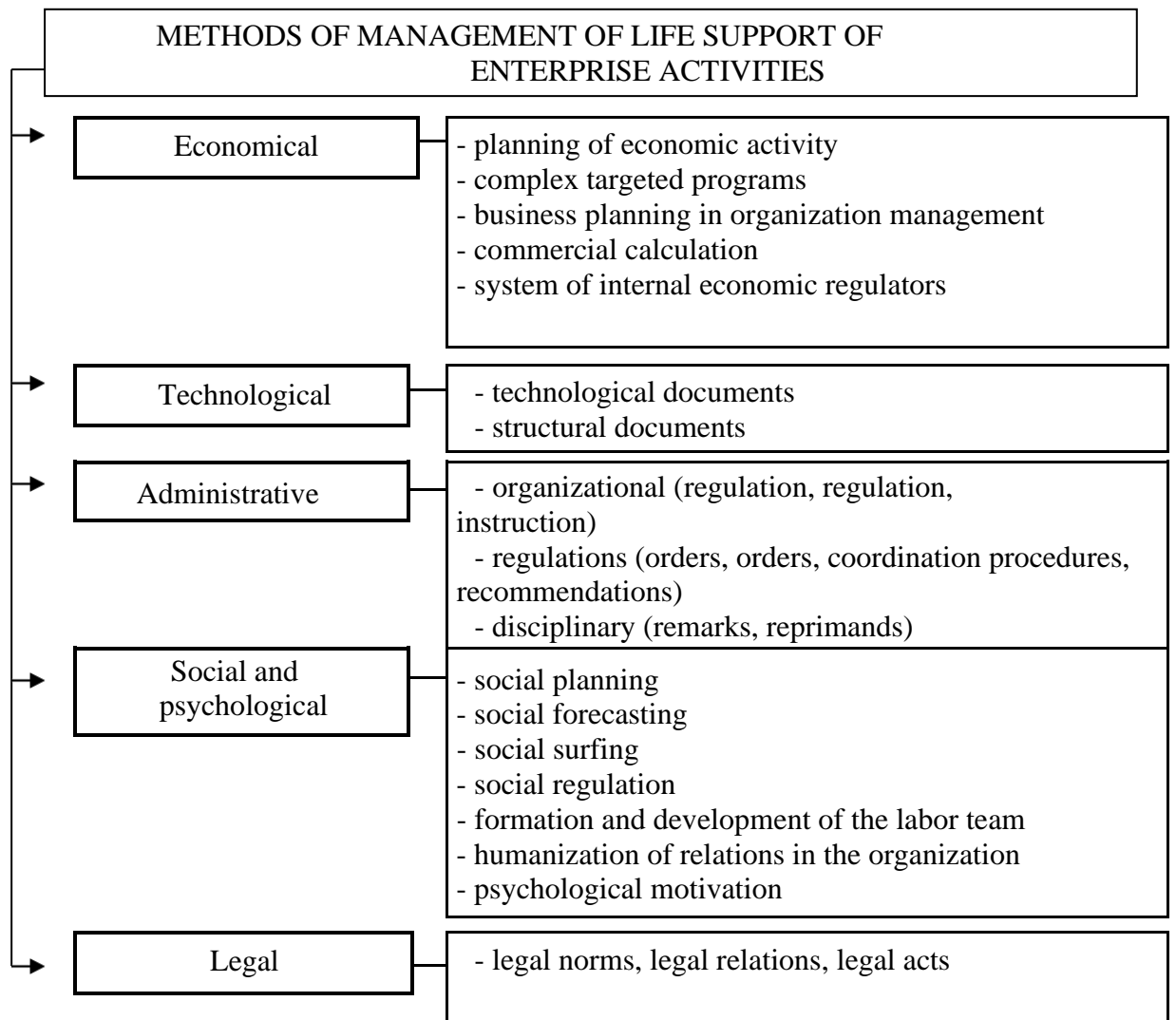
Socio-psychological management methods. These methods affect the socio-psychological climate formed in the workforce of construction enterprises. Also, socio-psychological methods of management influence the labor and social activity of personnel [78]. Thus, V. D. Belik notes that the mentioned methods at enterprises are "oriented to expand opportunities and ways of the most effective mobilization of intellectual and emotional resources of employees in order to intensify their labor activity" [79, c. 38].

Based on the fact that the human factor is one of the most important elements in the life support management system of construction enterprises, we believe that currently, in the crisis conditions of the Ukrainian industry, it is necessary to activate the process of applying socio-psychological methods. Therefore, the use of socio-psychological methods during the management of life support activities of construction enterprises requires the rational use of the human factor, taking into account the individual socio-psychological, psychophysiological, motivational characteristics of the individual, which will contribute to obtaining a significant social, economic and moral effect in the organization (at the enterprise ) [80, p. 172 - 181].

According to the method of action, socio-psychological methods are divided into social and psychological. The main differences between these methods are as follows - social methods are used to manage relationships in teams and between teams, and psychological methods are used to manage individual behavior and interpersonal relationships in a team [81, p. 223].

Legal management methods. In the management dictionary, it is defined that this is a set of actions of the subject of management with the help of legal norms, legal relations and legal acts" [59, p. 145]. First of all, they ensure the institutional development of construction enterprises, determine their rules of conduct and legally regulate all aspects of enterprise activity.

Ensuring effective management of the life support activities of enterprises, first of all, depends on the managers' rational application of management methods that correspond to modern transformations taking place in the industrial market of Ukraine [97]. So, having characterized the management methods, we offer the following generalized system of classification of management methods for life support activities of enterprises (Fig. 1.15).



**Rice. 1.15. Generalized classification of methods of managing the life support of enterprises**

Note: built by the author based on [81; 82]

In our opinion, an important aspect in the process of managing the life support of construction enterprises is (if necessary) overcoming crisis phenomena that periodically arise at the enterprise [83]. Therefore, it will be appropriate to investigate methodological anti-crisis management at enterprises.

We agree with the opinion of researchers Voronin O. and Tovm I., who noted that the crisis situation at an industrial enterprise is characterized by its uniqueness and certain unpredictability, and therefore it is quite difficult for enterprise managers to develop and form a clear and effective

a set of rules and methods that must be used during the preliminary prevention or actual overcoming of crisis phenomena that arise during the management of life support activities of construction enterprises. Therefore, the use of anti-crisis management at construction enterprises should be based on the principles that will ensure diagnosis, prevention and liquidation of the crisis at the industrial enterprise.

After summarizing the classifications of anti-crisis management principles, it was proposed to consider two groups of principles when developing anti-crisis management measures:

1) general for the management system: economic efficiency; social responsibility; separation of functions of political, state and economic management; consumer orientation; systematicity;

2) specific for anti-crisis management: planning and development of special programs of a strategic nature; constant monitoring of the external and internal environment; continuity; purposefulness of the management process; efficiency and reliability of input information; reliability of forecasts; lack of universal anti-crisis solutions; final orientation to activity [84, p. 31].

In the process of practical implementation of anti-crisis management at construction enterprises, various methods and principles are used (Appendix B, table B. 3).

According to S. M. Ivanyuta, the anti-crisis management method is a set of principles, methods, categories and tools used to study anti-crisis management processes [90, p. 30].

The scientist O. O. Shapurova divides the methods of anti-crisis management of the enterprise into:

- functional methods aimed at solving the crisis by making changes in certain actions of managers and personnel of the enterprise;
- system methods, the task of which is to solve the crisis by

radical restructuring of the enterprise [31].

It should be noted that the classification of anti-crisis management methods into two groups: tactical and strategic.

Tactical methods of anti-crisis management at construction enterprises are focused on operational improvement of financial indicators, overcoming the consequences of the crisis at the enterprise. As a rule, the company does not feel the results of the application of strategic methods immediately, but they change the essence of the business, its qualitative characteristics, such as competitiveness, investment attractiveness, innovativeness, etc. [95, p. 63].

Therefore, the scientific research analyzed the main principles of management that can be applied at construction enterprises and developed methodological models of life support management of construction enterprises based on the management concepts of the classics of management by A. Fayol, F. Taylor, G. Emerson, P. Drucker.

A system of management methods was also studied, which ensure the implementation of principles during the management of life support activities of enterprises and are important methods that determine the functioning and development of an industrial enterprise.

### **1.3. Scientific views on the management of life support activities of an industrial enterprise at different stages of its life cycle**

An important characteristic of the life support management process of the enterprise is its cyclicity. It should be noted that scientific concepts regarding the understanding of the life cycle began to emerge at the end of the 19th century. as a set of views that included the ideas of development and aging at the level of individuals and organisms, as well as the processes of adaptation and survival at the level of individual species and entire populations of living organisms.

A thorough analysis of the concepts of the life cycle of an enterprise in the works of foreign scientists gives grounds for asserting that at present more than ten models of the cyclical development of enterprises have been developed, which include certain phases (stages or stages) of the emergence, existence and development of a particular enterprise, the peculiarities of the course of which are formed by various options and the situation regarding their management at the enterprise.

Life cycle is the period of time of existence, beginning with the development of a business concept (genesis and creation of an idea) and ending with moral or physical wear and tear, ending with liquidation or transformation into a new system with other target orientations. It should be noted that the problems of the life cycle of the enterprise were studied by many scientists, namely: Adizes I., Greiner L., Miller D. and Friesen P., Katz D. and Kann R., Milner B., Koryagina S., Shirokova G. , Kozachenko H., Shatska O. and others. However, it should be noted that each scientist interpreted the life cycles of organizations (enterprises (enterprises)) in their own way.

In the table 1.6 shows different approaches to understanding the concept of "enterprise life cycle".

The popularity and wide practical application of the theory of economic development can be due to the following reasons: it was discovered that the life of an enterprise producing one type of product is becoming shorter and shorter. This is connected with faster rates of development of equipment and

technology, emergence of innovations. New ones consumer interests and market needs demand high-quality goods from enterprises, and this requires significant investments. In this case, the use of the life cycle will allow to coordinate the plans of production and marketing activities of the enterprise with its investment plans.

**Table 1.6**

**Definition of the essence of the concept of "enterprise life cycle"**

Author(s)	Definition
Blank I. O. [98, p. 674]	The total period of time from the beginning of the enterprise to the natural termination of its existence or revival on a new basis (with a new composition of owners and managers, with fundamentally new products, technology, etc.).
Ligonenko L.O. [99]	A set of stages that create a complete circle of enterprise development during a certain period of evolution, after which areas of activity can fundamentally change.
Mazur I. I., Shapiro V. D., Olderogge N. G. [100]	Objective reality, but the revival of the organization requires subjective actions of management personnel.
B. Z. Milner [101]	Life cycle – predictable changes with a defined duration time by a sequence of states.
N. V. Rodionova [102]	The life cycle is certain regularities in the development of any enterprise, which may differ in speed and the amplitude of the level of development.
Koryagin S. V. [103]	A set of stages that an enterprise goes through in the course of its life activities from creation to liquidation, each of which is characterized by a certain system of strategic goals and objectives, features of the formation of resource potential, achieved performance results.
Kozachenko G. O. [104]	Sequence changeable periods, in whose enterprise fundamentally transforms value attitudes and managerial ones tasks that ensure the transition to a new level of development.
O. Yu. Firstova [105]	The period of the enterprise's activity outlined in time, during which it goes through certain stages of development.

Note: grouped by the author based on [98; 99; 100; 101; 102; 103; 104; 105]

Domestic and foreign scientists, depending on the characteristics acquired by the enterprise during a certain period of time, a certain period of its "life", present their division of its life cycle into a certain number of stages (stages, phases). The number of phases of an enterprise's life cycle, proposed by various authors, ranges from 3 to 9, but the most common theories divide it into 5-6 phases. Most often, the life cycle is displayed graphically with an indication of changes (stages) in the life of the enterprise [31].

We will consider and analyze the main models of the life cycle of the enterprise in management theory in the context of their life support in the chronological sequence of their appearance.

One of the first life cycle models for organizations called "Growth driving forces" was developed in 1967 by Dawn A. This model includes three stages of growth and development of organizations:

- struggle for autonomy: occurs before formal birth or immediately after it. It is characterized by the desire to find legitimacy and the necessary resources from the environment to reach the "threshold of survival";

- rapid growth: involves rapid expansion, which is characterized by such properties as innovation and creativity;

- slowing down: characterized by clarification and formalization of control rules and procedures [105, p. 98].

It should be noted that Dawn A. developed this model for government organizations (committees), but in our opinion, these stages are typical for commercial (private) organizations and enterprises, including those working in the industry of Ukraine.

Lippit G. and Schmidt U. in their scientific work "Management participation" (1967) were among the first to propose a life cycle model for private sector enterprises. This model provides for six main management tasks that change during the transition from one stage to another: creating a system and reaching the threshold of survival, stability and acquiring a reputation, achieving uniqueness and the ability to respond to social needs [106, p. 87].

They assumed that enterprises go through three stages of development:

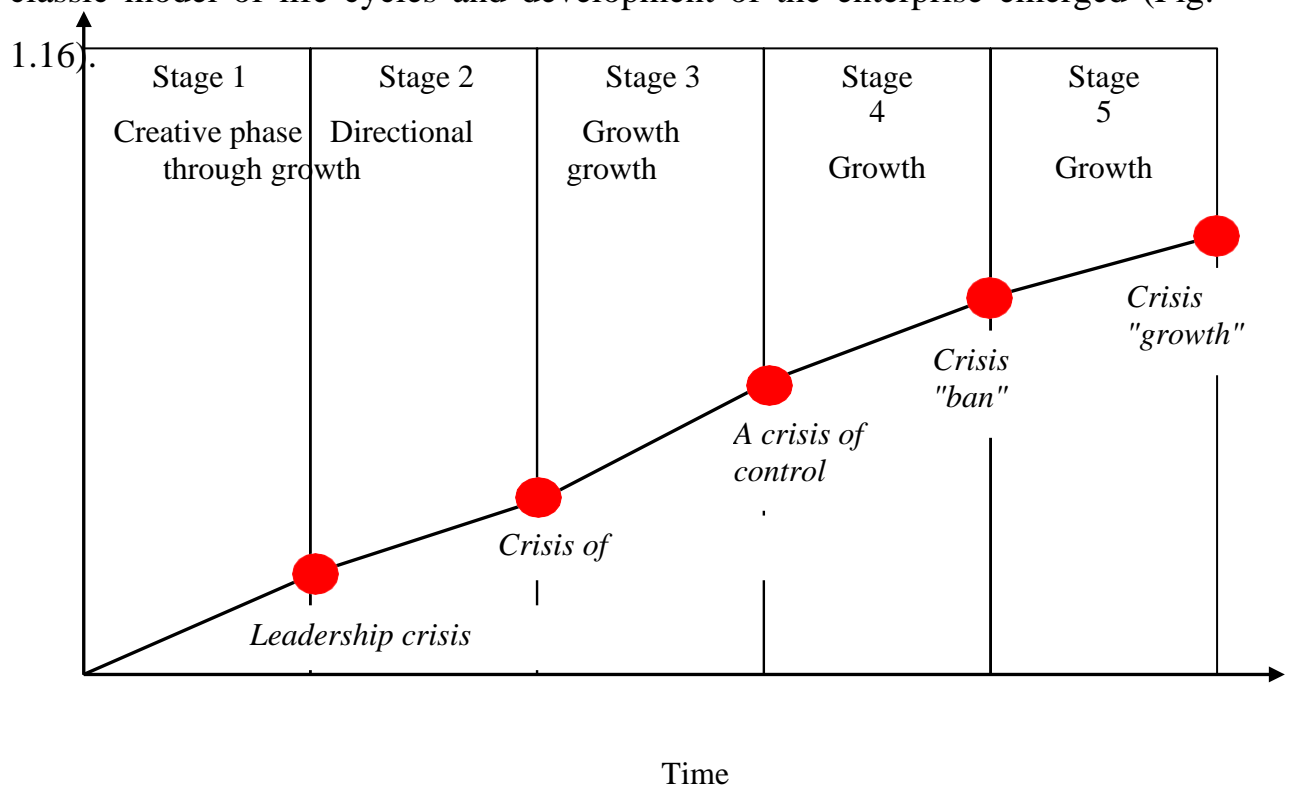
- birth, in the process of which management systems are created and vitality is achieved;

- youth, which is characterized by the development of reputation and stability;

- maturity, during which the enterprise's activity is aimed at achieving uniqueness and the ability to adapt to changing conditions in the fields of activity [107, p. 123].

According to these scientists, this is the last phase of the enterprise's life, which is characterized by adaptive processes and reaches the highest point of its growth and development.

At the beginning of the 70s of the 20th century, based on the writing of L. Greiner's work "Leadership problems at the stage of evolution and revolution", a classic model of life cycles and development of the enterprise emerged (Fig.



**Rice. 1.16. The model of enterprise life cycles according to Greiner L.**

Note: constructed by the author [109]

According to L. Greiner's concept [109], every enterprise goes through successive stages in the process of its functioning, while it is possible to identify problems and pitfalls at each of them, which are the impetus for the transition to a new stage of development (Fig. 1.16).

If the enterprise solves the problem inherent in each stage (that is, overcomes the crisis), then it moves to the next stage of its evolutionary

development, if there is none, then it either ceases to exist or repeats the previous stage [109, p. 169].

Note that an important feature of L. Greiner's model is that the enterprise cannot remain at one stage permanently, nor can it return to the previous (past) stage. At each stage of the life cycle, certain processes occur that are specific to each enterprise. Therefore, determining the exact time of each stage of the economic development is quite difficult, since the development and life activity of each enterprise is specific [113].

Thus, according to Gainer L., the life activity of the enterprise in the course of its evolutionary development moves from one stage to the next on the basis of revolutionary changes and, on the condition of overcoming a certain crisis that arises at the enterprise from one stage of its development to the next, it involves overcoming the corresponding crisis of this transitional period.

The model of life activities of organizations (enterprises) by D. Kats and R. Kahn is built on the study of its organizational structure, according to which the authors of the model propose three main stages of development - the stage of simple systems, the stable stage of the organization and the stage of developing structures. Its main ideas were set forth in a scientific work - "Organizational Structure" (1978).

So, the scientists, D. Kats and R. Kann, put the organizational and structural approach as the basis of the model of life cycles of enterprise development. They consider the enterprise as an "open system" characterized by relations with the external environment [111].

## **CHAPTER 2 METHODOLOGICAL APPROACHES TO THE FORMATION OF STRATEGIC VECTORS OF LIVELIHOOD MANAGEMENT ACTIVITIES OF THE ENTERPRISE**

### **2.1. Life support management strategies of the enterprise and key characteristics of the formation of strategic vectors**

In modern conditions, enterprises of various forms of ownership are open systems that actively interact with the external (institutional) environment. Violent, constant and ambiguous changes in the environment in which an industrial enterprise exists is a prerequisite for the development of a system of flexible adaptation to changes. To solve such problems of finding an effective strategy, each enterprise can quickly respond to changes in the environment and at the same time maintain effectiveness by creating conditions to support the livelihood of its own activities.

Planning and strategy development are important steps in the functioning of an industrial enterprise, it is the constant work of top management in search of an effective "vision of their enterprise" in the future. Strategy is a plan for future life, choosing a field of activity, vision of future competitive advantages and search for combating threats and strengthening the weak sides of an industrial enterprise.

A significant circle of scientists, theoreticians and practitioners have researched and are researching the category of strategy and its derivatives ("strategic development", "enterprise strategy", "strategic management", "strategic management").

It should be noted that the term "strategy" (from the Greek - strategy) literally means "the art of the general", that is, this term originally refers to military practice.

In the fundamental work of I. Ansoff "Strategic management" the following concept of strategy is given: "In its essence, strategy is a list of rules for making decisions that the organization uses in its activities." I. Ansoff claims that an experienced business specialist will always be able to recognize one or another original strategy from the success of the enterprise [14, p. 136].

Adayeva T. believes that the competitive strategy is defined as the ability of the firm to produce competitive goods, and in addition, as the competitive stability of the organization and its ability to adapt to unfavorable conditions of competition [15, c. 53].

Kotler F. believes that the strategy helps the enterprise to compete effectively with other enterprises and occupy leading positions in the market [146, c. 71].

M. Porter considered strategy as an analysis of internal processes and interactions between parts of the enterprise. To do this, he applied the idea of the value chain and identified how and where value is added. Porter formulated one of the most accurate definitions of the concept of enterprise strategy [17, c. 24].

Ansoff I. [14, c. 17], using the concept of strategic management, noted that strategy is one of several sets of decision-making rules of behavior of the enterprise, and identified four groups of rules: rules for establishing relations between the enterprise and the external environment; rules for establishing relationships and processes within the enterprise; rules for conducting daily affairs; means of measuring the results of today's future activity of the enterprise.

He describes the strategy as a set of rules for decision-making in order to ensure sustainable growth and development of the enterprise; distinguishing two groups of rules: the rules of the enterprise's relations with the external environment

(business strategy) and rules for establishing balance between own internal variables (organizational concept) [14, p. 519].

Using the idea of a value chain, Porter M. proposed to consider strategy as an analysis of internal processes and interactions between various components of the organization in order to determine how and where value is added. At the same time, the strategy is the positioning of the enterprise in relation to the industry environment [17].

Johnson J. and Schools K. consider strategy as the direction and scope of actions in the long term, which ideally aligns the company's resources with the changing operating environment (markets, consumers and clients) in such a way that the company meets the expectations of its shareholders [ 148].

Domestic researcher Z. E. Shershnyova understands the concept of "strategy" - the long-term course of the company's development, the method of achieving goals, which it determines for itself from alternative options, guided by its own considerations within the limits of its policy [18, p. 408].

Strategic management for domestic construction enterprises is absolutely necessary. First, it contributes to achieving a dynamic balance with the external environment. Secondly, its use is related to the search for ways to survive in market conditions and new success factors of an industrial enterprise in a competitive environment. Currently, for most managers of construction enterprises, the field of strategic management is the most difficult and requires careful research [19, p. 344-345].

Thus, the concept of "strategy" is interpreted differently by foreign and domestic researchers. A thorough analysis of the economic literature gives grounds for asserting that the strategy is often considered by scientists as a certain model of actions or a plan (Table 2.1).

Therefore, the development of a strategy is an important and necessary step for creating an environment whose quality functioning is the basis for the life support of an industrial enterprise.

Table 2.1

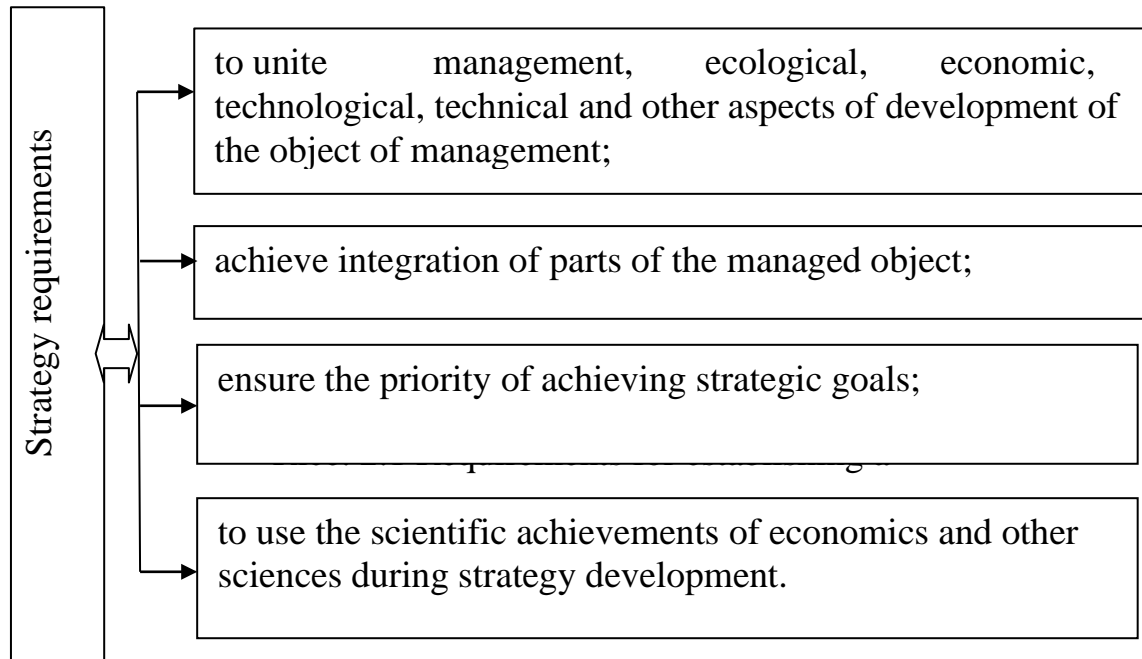
## Definition of the "strategy" category

Content	Explanation	The authors
model (action)	long-term model activity enterprises, which is accepted for achievement strategic goals its owners and takes into account the possibilities and limitations of the internal and external business environment.	V. V. Stadnyk, Yohna M. A. [15, p. 76]
	a generalized model of actions necessary to achieve set goals through coordination and distribution of company resources.	Karlof B. [15, c. 148]
	a generalized model of actions that are necessary for the coordination and distribution of company resources.	V. G. Gerasymchuk [15, c. 26]
	Summarizing model action necessary for achievements set long-term goals through coordination and distribution of company resources.	A. T. Zub [15]
	it is a model of the interaction of all resources that allows the organization the best way to fulfill its mission and achieve sustainable competitive advantages.	N. K. Smirnova, O. V. Fomina [15]
plan	a detailed comprehensive comprehensive plan designed to ensure that the organization's mission and goals are met.	Meskon M., Albert F., Hedoury M. [15, c. 181]
	a company management plan aimed at consolidating its positions, meeting needs and achieving defined goals.	Thompson A AN Srinkland N D., Thompson D. J. ND. A AN [156, c. 11] D. AN D.
	a general plan of action that determines the priorities of strategic tasks, resources and the sequence of steps to achieve strategic goals.	Porshneva A., Rummyantseva Z., Salomatina N. [157, village 13]
	a plan that integrates the following components into a coherent whole: the main goals of the organization; politics (values, philosophy, ideology); applied actions.	Gershun A. [18, p. 20]
	It complex plan activity enterprises, which is developed on the basis of creative scientifically based approach and is intended to achieve the long-term global goals of the enterprise.	Gordienko P. [19, p. 9]

Note: compiled by the author based on [150-159]

It is necessary that during the process of developing and forming a strategy, industrial enterprises must take into account a number of requirements (Fig. 2.1) [14 c. 147].

At the same time, the requirements and principles of determining modern strategies are considered as an action plan, according to which the industrial enterprise will be able to achieve the maximum of its development, choose the best place among competitors, and constantly increase production volumes.



**Rice. 2.1. Basic requirements for the strategy of an industrial enterprise**

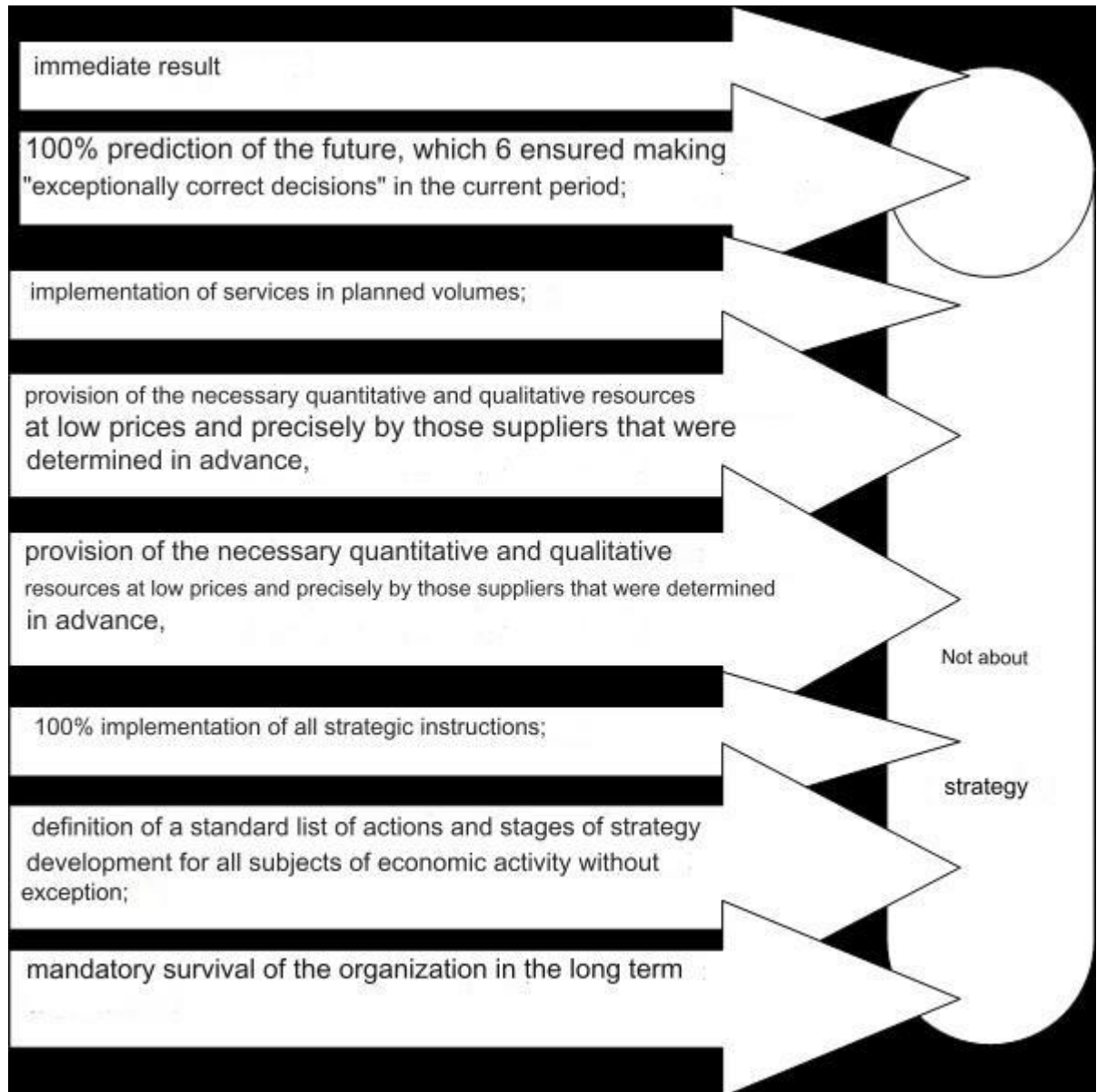
Note: developed by the author based on [52; 53; 54]

At the same time, strategy is not a "bible for company development", given the existence of unclear opportunities, obstacles and threats. Strategy is the direction according to which the activity of an industrial enterprise can be effective.

We would also like to note that not all prospective courses and directions that industrial enterprises set before themselves can be attributed to the components of the strategy (Fig. 2.2). The managerial approach to determining the essence of the league strategy is the basis of the joint research project "Strategic documents of socio-economic development", developed in 2003 by experts of the Ministry of Economy and European integration, as well as experts of the UN Development Program, although the final analytical note provided immediately three definitions of strategy:

- a long-term generalized set of interdependent decisions that determine the priority directions of development of the economy, industry, region, etc.;

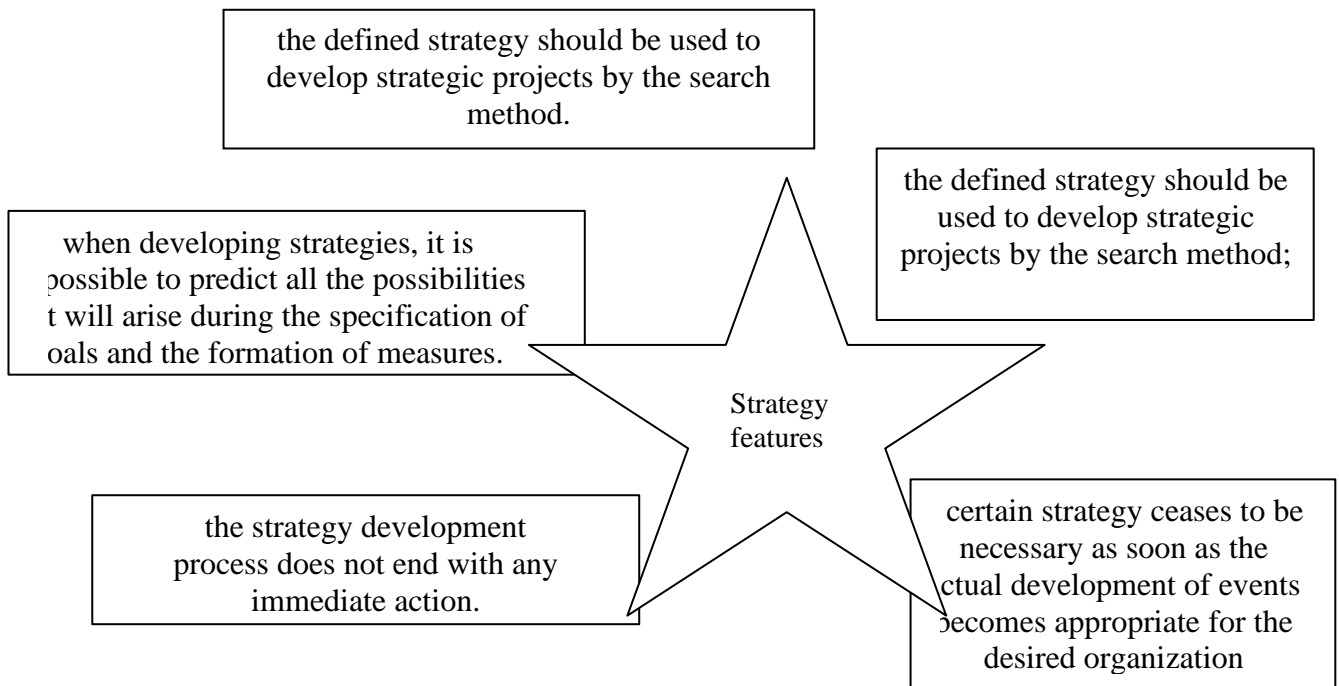
- a system of conceptual goals and tools for their achievement...something that combines tactical short-term actions into a system that provides a high result...over a strategic period as a whole;
- a long-term generalized management plan for a selected field or system [62, p. 5].



**Rice. 2.2. Components not related to strategy in the management process  
life support of enterprises**

Note: developed by the author based on [58-61]

The famous scientist I. Ansoff singles out several characteristic features of the strategy (Fig. 2.3):



**Rice. 2.3. Features of the strategy of an industrial enterprise according to I. Ansoff.**

Note: developed by the author based on [14]

Strategy development is the prerogative of the top management of every industrial enterprise. Ponomarenko V., Tridid O., Kyzim M. consider development as a process of quantitative and qualitative changes in the system, the complication of structure and composition, as a result of which the efficiency of functioning and resistance to the destabilizing influence of the external environment increases [63, p. 62]. That is, attention is focused on taking into account the influence of external environmental factors and increasing the efficiency of the industrial enterprise, which is not always possible.

Therefore, strategy goals are the key results that the company strives for in its activities. The development strategy is intended to ensure the adaptation of the enterprise to the changing environment.

An industrial enterprise as a system functions in a dynamic environment, therefore timely response to the changes taking place is the basis of ensuring the principle of flexibility of the enterprise. As you know, every business entity is subject to the law of cyclicity, and therefore goes through certain stages of its

development, each of which has its own characteristics and requires adjusting the activity strategy depending on the situation on the market and within the industrial enterprise. Insufficient attention to the situational planning of competitive behavior leads to the emergence of crises inherent in each of the levels of management of the life support of an industrial enterprise. In order to avoid the "death" of the enterprise, to prevent and overcome management crisis situations, it is necessary to clearly understand the relationship between the stage in which the enterprise is located and the competitive strategy that must be implemented for further development and effective functioning [35].

In general, it should be noted that today in scientific circles there is no clear definition of the concept of "strategy" in the aspect of managing the life support of the enterprise. Therefore, we offer the author's interpretation of the concept of "life support management strategy of an industrial enterprise" - it is a model of a prospective planned course (process) with certain rules and techniques, which is aimed at achieving strategic goals and effective use of resource potential opportunities of the current level of life support, based on competitive advantages and ensures growth on an innovative basis, taking into account exogenous and endogenous factors, interests and needs of consumers.

It should be noted that modern enterprises are not only open, as we have already noted, but also complex socio-economic systems, including often multi-branch ones, therefore the strategic vectors of their functioning and development can have several levels: functional, corporate, competitive, operational and others

Based on the fact that our scientific research is based on a market approach to understanding the life support management process of construction enterprises, the basic elements of which are competitiveness, innovation and, in general, various marketing tools and levers. Therefore, we consider it appropriate to consider

competitive strategies that can be used in the process of managing the life support of construction enterprises.

Today, scientists in the field of economics and strategic management have proposed a number of approaches to the application of competitive strategies. In our opinion, a significant place among them is occupied by classifications of competitive strategies proposed by well-known foreign researchers Porter M. and Kotler F.

In the table 2.2 shows the types of competitive strategies of these scientists, taking into account the levels of management of life support activities of construction enterprises.

**Table 2.2**

**Options for choosing a life support management strategy enterprises**

Level of life support	Strategic approaches	
	Porter M.	Kotler F.
Low	Focusing strategy Product differentiation strategy	Follower firm strategy Niche company strategy
Average	The initial stages of a leadership strategy	Strategy of the challenger firm
High	Cost leadership strategy	Strategy of the market leader

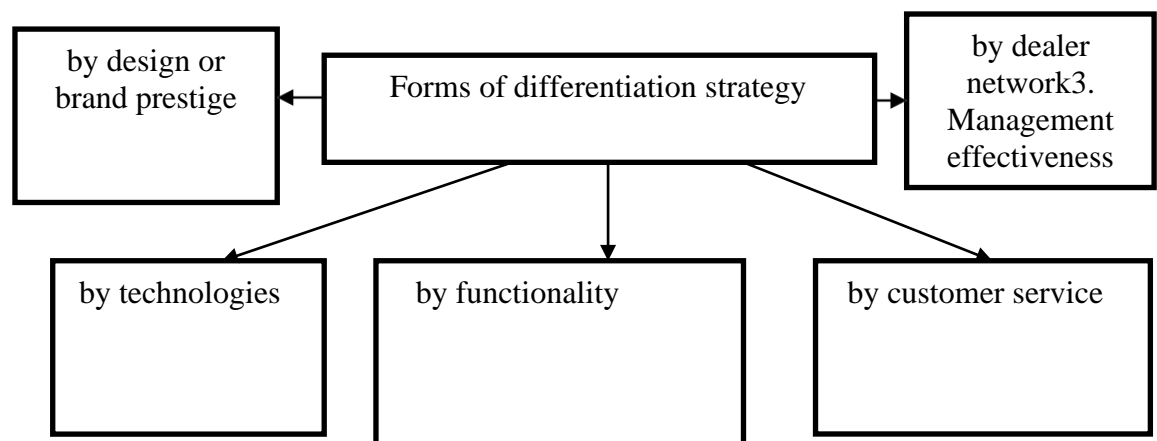
Note: proposed by the author based on [46; 147]

Before moving on to the analysis of competitive strategies that are used at the low level of management of life support activities of construction enterprises, it is necessary to explain the specifics of this level. It consists in the fact that this level includes the opposite life support cycles of construction enterprises - birth (positive) and decline (negative), and therefore within it we will consider different strategies according to their grouping - low level positive and low level negative. Therefore, taking into account the peculiarities of the low level of life support management

activities of construction enterprises, the following options for choosing competitive strategies are possible.

A low level is positive: The strategy of differentiation is that the company creates a product that is perceived within the entire industry as unique [4, p. 75].

The strategy of differentiation at construction enterprises can be implemented in various forms (Fig. 2.4).



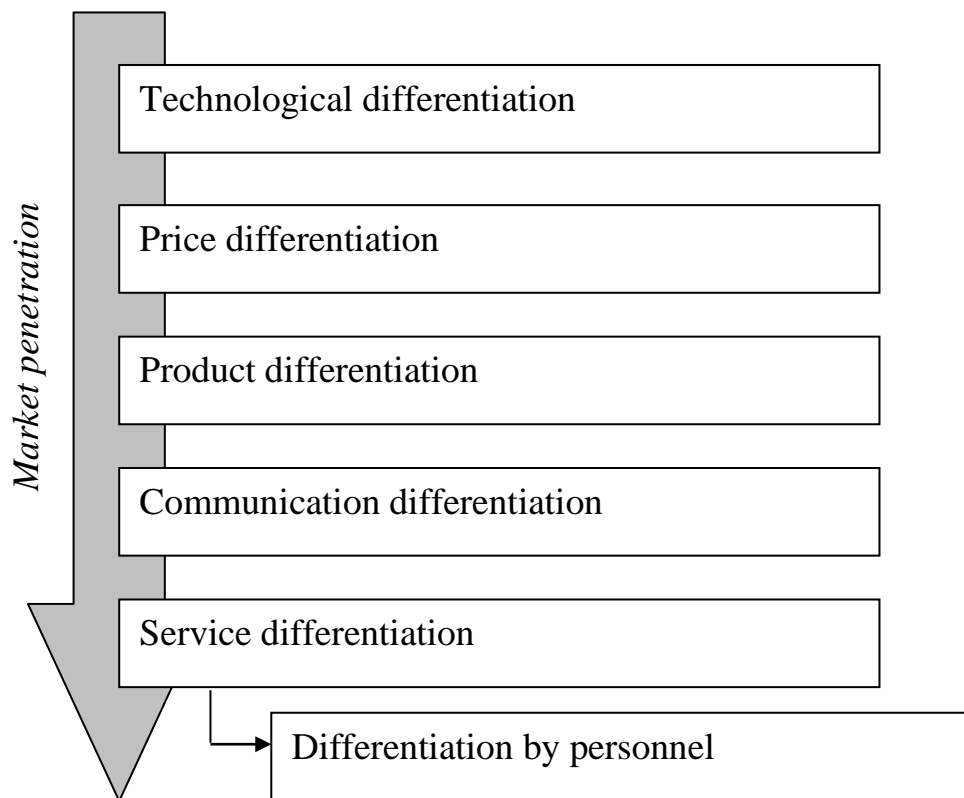
**Rice. 2.4. Forms of implementation of the strategy of differentiation in the process of managing the life support of construction enterprises**

Note: developed by the author based on data [47, p. 75]

Thus, one of the main features of the product differentiation strategy is that it involves the production of industrial products with unique properties. Effective application of the differentiation strategy reduces the intensity of competition, especially among manufacturers of consumer goods.

It should be noted that, in general, there are a large number of types of differentiation strategies that can be used in the process of managing the life support of construction enterprises.

Summarizing the main approaches to the differentiation strategy classifications in fig. 2.5. we offer the following types of it, which, in our opinion, best reflect the strategy of differentiation in the process of managing the life support of construction enterprises.



**Rice. 2.5. Classification of differentiation strategies in the process of managing the life support of construction enterprises**

Note: developed by the author [63; 64; 65]

And now let's carry out a brief description of the indicated types of differentiation strategy that can be used during the management of life support activities of construction enterprises.

1. Technological differentiation. It is that the application of new technologies at construction enterprises increases the development of the life support management system of the industrial enterprise at a low level, because they provide greater opportunities for the strategy of differentiation in the industrial market. It has a positive effect, improves the quality of industrial products, facilitates working conditions and ensures its safety. Most of the inventions and useful models equated to them appear in the course of sketch-technical design at the stage of research and development [65, p. 45].

2. Price differentiation. It is most often used in a situation where industrial products have different consumer value estimates in different markets or segments. In market segments with high estimates of the consumer value of industrial products or segments that are weakly sensitive to prices, they should be increased. The effectiveness of this strategy is determined by the accuracy of segmentation, as well as the level of research into consumer needs, interests, preferences, and behavior. Unfortunately, price discrimination in Ukraine is still caused by the inefficiency of markets, as a result of which a significant part of the profit falls to traders, not to producers [66].

3. Product differentiation is one of the main differentiation strategies. Differentiation of industrial products is carried out according to the following factors: additional production capabilities; efficiency of product use; comfort; reliability; style and product design [67].

4. Communication differentiation. Information about the novelty and fundamental advantages of its products by an industrial enterprise that has not been clearly proven leads to the fact that consumers buy the same products from a competitor's enterprise, despite the fact that it is of worse quality. Thus, it is not enough for industrial enterprises to position products as new, it is necessary to clearly explain to the consumer its novelty and advantages. It is the strategy of communication differentiation that ensures contact between the manufacturer of industrial products and the consumer. The main components of the strategy of communication differentiation of an industrial enterprise are advertising, PR events, creating a product image.

5. Service differentiation. It involves significant work related to high-quality customer service during the sale of industrial products. Therefore, this strategy offers a wide range of services that accompany the sold products (for example, the urgency and reliability of deliveries, installation of equipment, consulting of consumers, etc.). Types of service differentiation include personnel differentiation. Enterprise

can achieve greater competitive advantage by hiring and training better employees than competitors [68].

We would like to note that, in our opinion, an important place among the types of differentiation strategies used in the process of managing the life support of construction activities is occupied by technological, product and communication differentiation.

However, it should be noted that this strategy of differentiation in the process of managing the life support activities of construction enterprises has both its own certain advantages and risks (Table 2.3).

- the strategy of the follower firm is that during the management of the life support activities of construction enterprises, many of them do not have significant own strength and resources to change the structure of the industrial market to the competitor, and therefore the policy of following the leader can be a justified strategy for construction enterprises.

It should be noted that the company's strategy is a follower, which does not mean that it does not have its own strategy. The main purpose of its activity is to maintain existing consumers. An industrial enterprise - a follower tries to have a certain insignificant competitive advantage in its target market (territorial location, service, financial privileges). The only thing that a follower will not allow is aggressiveness towards the competitive structure of the market that has already developed (as opposed to a challenger who tries to change it to his advantage). The marketing activity of the industrial enterprise of the follower is characterized by the following features:

- effective segmentation of the market in order to avoid confrontation with other firms,
- primary attention to profitability indicators, rather than increasing market share,
- focusing on limited rather than full-scale competitive actions,
- minimum costs for innovation [35].

Table 2.3

**Advantages and risks of the differentiation strategy in the management  
process life support of enterprises**

Advantages	Risks
1	2
the possibility of an industrial enterprise to set a higher price for products; to increase the volume of sales due to the attraction of a significant number of buyers due to the individual characteristics of industrial products; strengthen loyalty consumers to their brand through their commitment to additional product characteristics.	<ul style="list-style-type: none"> <li>- increase equal expenses driving activities of construction enterprises:</li> <li>- product modification costs;</li> <li>- economic and administrative expenses;</li> <li>- costs of inventory management, advertising activities and other measures to promote industrial products to the market.</li> </ul>
expanding the possibility of choosing the necessary options industrial products consumers due to its wide assortment.	inability of company managers to accurately and clearly determine which specifics and characteristics of industrial products are important and valuable for customers.
industrial enterprises can earn profits above the industry average, because the increase in consumer loyalty due to the specific characteristics of products reduces their sensitivity to prices.	high prices for products, which can lead to a situation where consumers stop buy qualitatively differentiated products, and will prefer cheaper standard products.
the company's ability to avoid direct price competition and share different market segments with competitors.	the ability of competitors to quickly and without significant costs imitate the developments of an industrial enterprise.
relative protection of well-known construction enterprises from imitative activities of competitors due to the presence of trademarks and well-known brands.	the enterprise ignoring the need to provide consumers with information about product quality, calculating only on the real basis of differentiation.
Possibility choose powerful suppliers of high-quality resources, especially in conditions of limited access to certain types of raw materials.	decrease in the need of buyers for differentiated products due to the increase in their awareness.
the rigidity of the entry barrier in the industry due to the formed preferences of consumers.	re-segmentation of the market, creation of a situation when different modifications products enterprises will be compete betweenby myself
Guaranteed receiving profit from sale of products by the enterprise.	organization, oriented on wide differentiation, rather they can bedisplaced by competitors.

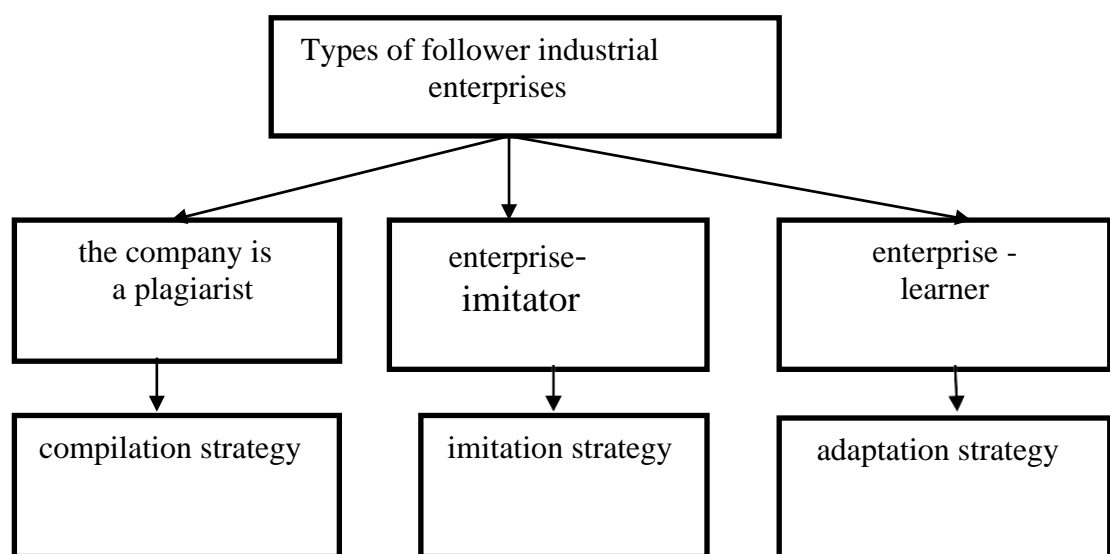
Note: constructed by the author based on data [69, p. 44]

Therefore, an industrial enterprise - a follower is an enterprise that occupies a weaker position in the market compared to the leader, receives a stable

profit and seeks to maintain its market share without confrontation with the leaders [49, p. 150].

Kotler F. notes that the main advantage of using the strategy of the follower is explained by the fact that all the risk regarding the product and the sales market rests with the market leader. Innovative activity, as is known, is associated with large costs and a large commercial risk. A follower imitates only the successful, market-proven experience of the market leader. Therefore, the costs and risk of the follower enterprise are significantly lower, which is the basis for increasing the profitability of its activity [68, p. 679].

It should also be noted that F. Kotler singled out three types of follower enterprises, each of which has its own strategies (Fig. 2.6.), which of course can be used by industrial enterprises during the implementation of their strategy.



**Rice. 2.6. Types and strategies of construction enterprises - followers in the process of managing the life support of their activities**

Note: developed by the author [68; 70]

Compilation strategy is that it completely duplicates the system of competitive strategies in terms of product, price and marketing activities

a leader in the industrial market. We would like to note that a situation often occurs when the specified strategy completely copies the trademark and trademark of the leading industrial enterprise, especially in those countries where there are no clear legal mechanisms to protect the image elements of the leading enterprise. Under such conditions, the image of the leading enterprise will most likely suffer certain losses, because the quality of the industrial products of the compiler enterprise is usually lower than that of the leading enterprise.

The strategy of imitation is characterized by the fact that the imitator industrial enterprise, copying certain aspects of the activity of the leader enterprise, introduces its own developments and acquisitions to industrial products (for example, such differences may relate to packaging, labeling, advertising, pricing policy, etc.).

The adaptation strategy envisages the adopting enterprise using the construction products of the leader enterprise and its marketing programs and activities, with the aim of improving them. Also, the developing industrial enterprise can use other markets to sell its products in order to avoid direct competition with the leading industrial enterprise.

-strategy of a niche firm (enterprise). This is another strategy developed by F. Kotler, which can be applied at a low level of life support management of construction enterprises. After all, it is the most effective for small construction enterprises that are just starting to conduct their business on the market.

As a type of competitive strategies of an industrial enterprise, according to the classification of F. Kotler, the market niche strategy is an alternative to the strategies of the market leader, challenger and follower.

It should be noted that the market niche strategy is one of the leading not only competitive strategies, but also marketing strategies. This strategy is considered in strategic marketing from different positions, which are

as a result of the application of various classification factors of marketing strategies.

The strategy of the market niche has the following essence: the search and orientation of the activity of an industrial enterprise on the specific needs of consumers, which are not the object of activity of other enterprises.

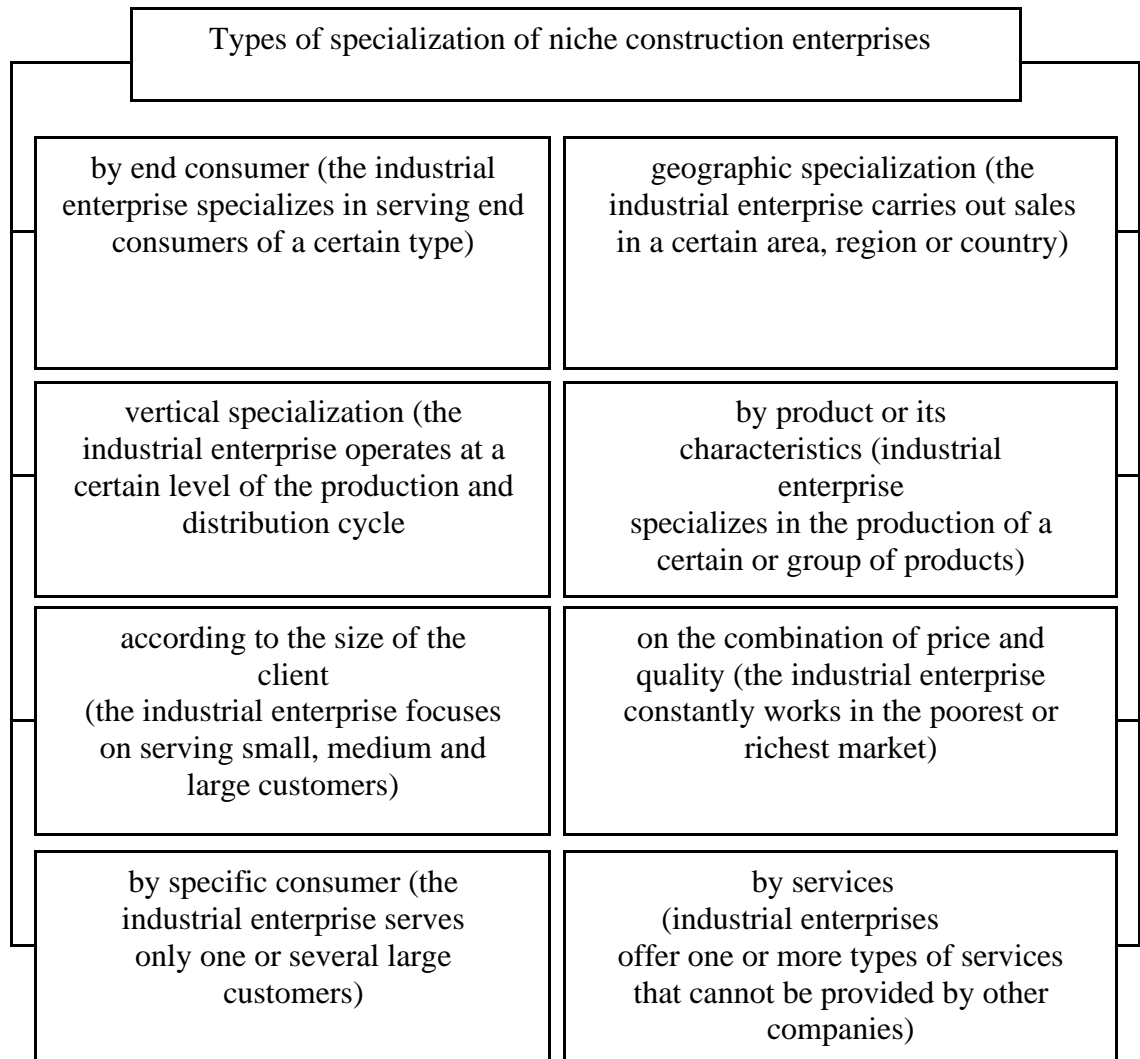
When choosing a market niche strategy in the process of managing the life support of construction enterprises, in our opinion, the following factors must be taken into account: the competitiveness of the industrial enterprise, the target market, the industrial enterprise's own capabilities in terms of forming a competitive advantage, positioning features.

The chosen market niche should provide the industrial enterprise with: profitability, growth potential, compliance with the resource capabilities of the enterprise, low risk of competition, the ability of the enterprise to defend its market position in the niche.

We agree with the opinion of American researchers who note that the main idea of the market niche strategy is the specialization of the enterprise in a certain market segment, consumer group, product or marketing complex [69, p. 684]. Therefore, in fig. 2.7 shows the main types of specialization that can be used by niche industrial enterprises.

And a low level is negative: a focusing strategy is the specialization and concentration of an industrial enterprise on a certain group of buyers, a type of product, or a geographical segment of the industrial market.

As Porter M. points out, "the focus strategy is based on the assumption that with its help the enterprise is able to pursue narrow strategic purpose with big efficiency or productivity than competitors who operate in a wider space [47, p.78].

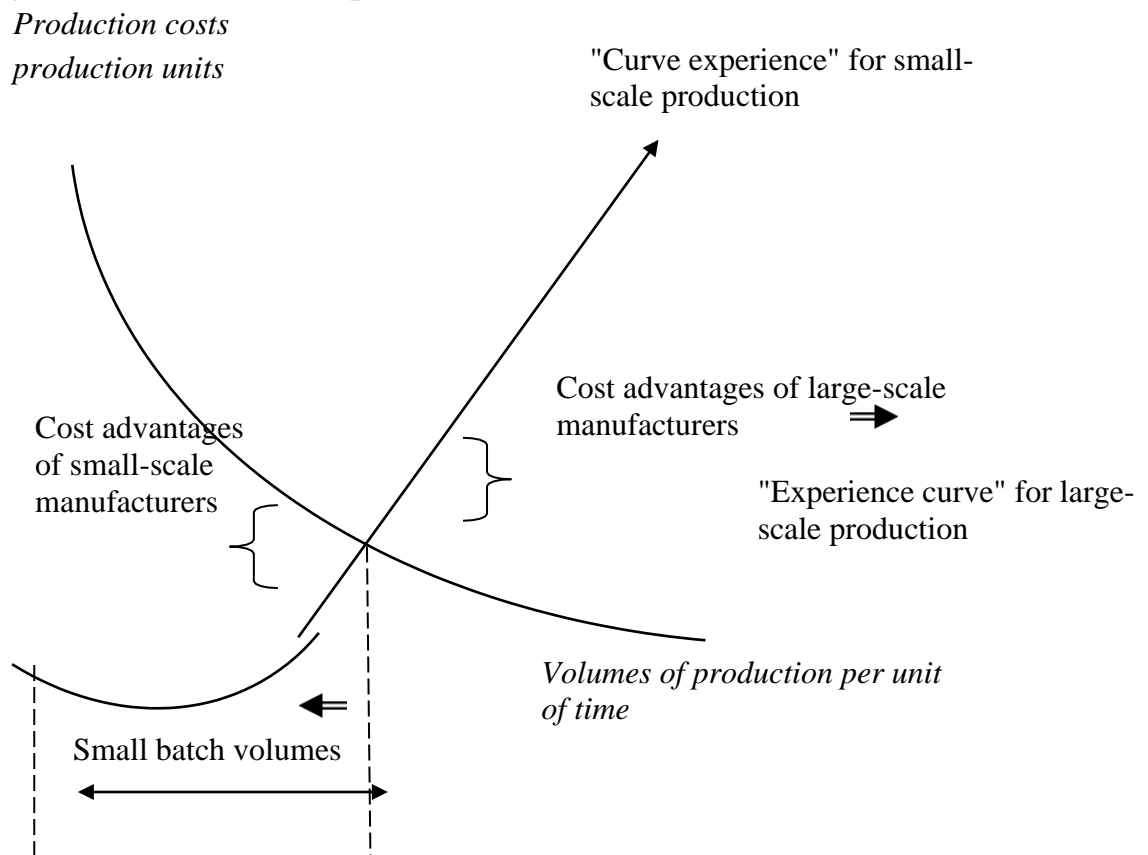


**Rice. 2.7. Types of specialization of niche construction enterprises**

Note: developed by the author based on data [69, p. 684-685]

So, the main meaning of such a focusing strategy in the process of managing the life support of construction enterprises is to obtain competitive advantages and satisfy the market position in a rather narrow segment of the market (taking into account the product or geographical feature). The choice of such a strategy depends on the industrial enterprise's ability to satisfy a narrow segment of the market with its specific requirements more effectively than competitors who are oriented to a wider range of needs.

In fig. 2.8. the benefits of focusing on the satisfaction of specific needs or from larger volumes of production when choosing a strategy of focusing on construction enterprises.



**Rice. 2.8. Advantages of small and large-scale production at construction enterprises in the context of the application of the focusing strategy**

Note: built by the author based on [65]

It should be noted that the focusing strategy is a deeper differentiation of the industrial products produced by the enterprise. Regarding a separate segment of the market, the same laws apply here as when applying the basic competitive strategies proposed by Porter M.

In addition, industrial enterprises that apply the focus strategy are sometimes called "violent enterprises" by some scholars.

Such a strategy is appropriate under the following conditions:

- presence of a clear demarcation of different groups of buyers on the industrial market who: have specific needs and use the product in different ways;

- lack of competitors claiming to serve a narrow specific segment;
- the impossibility of using the available resources of the industrial enterprise in a wider segment;
- presence of significant differences in size, growth rates, profitability, intensity of influence of five competitive forces (according to M. Porter), which makes some segments more attractive than others [49].

In the table 2.4. the main advantages and risks of the focusing strategy in the process of managing the life support activities of construction enterprises are shown.

Table 2.4

**Advantages and risks of the focus strategy in the management process life support of construction enterprises**

Advantages	Risks
Managers of an industrial enterprise direct their efforts to only one type of economic activity. These are the best and easiest way to identify the most important competitive advantages;	concentrating all his efforts in one direction (this, in our opinion, is the main risk when applying the strategy of focusing in the management process life support activity construction companies)
thorough and complex marketing research can be carried out, on the basis of which the management of the enterprise better understands the needs and problems of consumers;	high dependence of the industrial enterprise on attachments, changes in consumer needs
there is an opportunity to save, thanks to constant contact with a narrow circle of suppliers and the purchase of large batches of products from them.	"resegmentation" of the market, when an industrial enterprise can lose its segment due to the appearance of new competitors, products, changes in needs, etc.
concentration on one type of activity stimulates managers to diligently fight to strengthen the competitive positions of an industrial enterprise for a long time perspective	the profitability of profitable segments decreases due to their attractiveness and overcrowding by competitors
senior management goes through all stages of career growth at an industrial enterprise, and therefore has extensive experience in conducting business activities and is competent in management and production processes	the opportunity for many construction companies serving the market in general to find effective means of competition in the same segment that the company is targeting.

Note: built by the author based on [49]

It should be noted that the focusing strategy can be used at a low level of life support management of construction enterprises not only at the "recession" stage, but also at the "emergence" stage, this applies primarily to small construction enterprises that are starting to conduct their business activities.

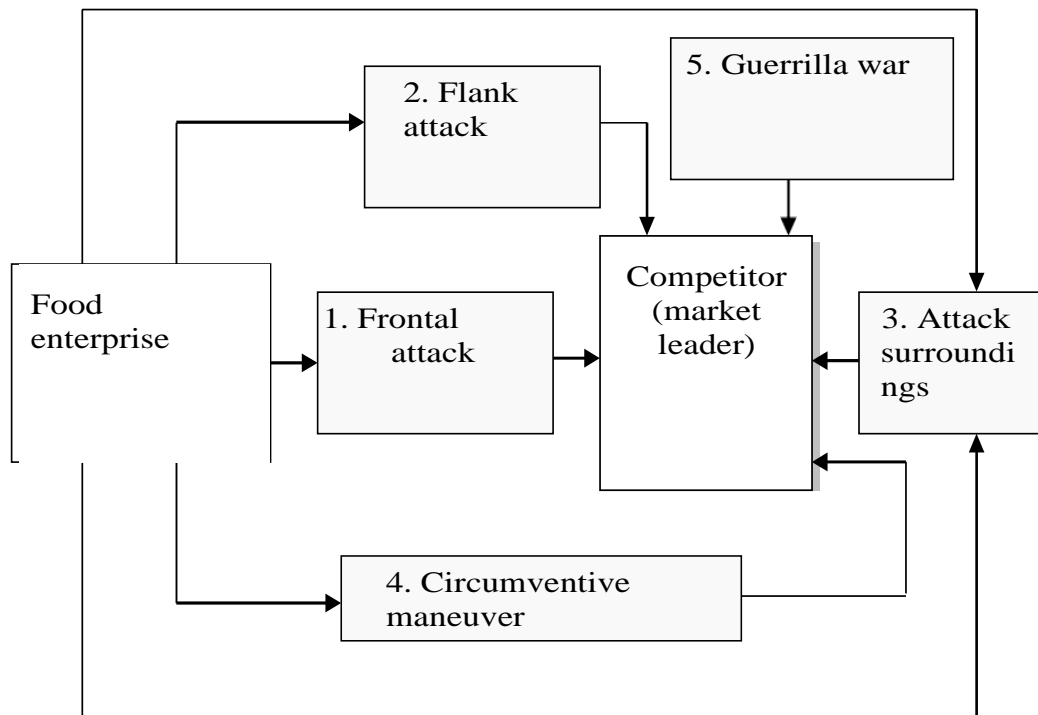
Middle level: the strategy of a challenger (contender) enterprise consists in the aggressive behavior of an industrial enterprise in the market, because the main type of strategy chosen by this enterprise is the strategy of attack (offensive), with the aim of expanding market share to achieve market primacy (leadership). The main disadvantage of this strategy for a challenger industrial enterprise is that its strategic directions are very risky, and therefore, in addition to success, they can also lead to significant troubles.

The following enterprises can be the targets of an attack by an industrial enterprise - a contender for leadership:

- industry market leaders who do not perform their duties efficiently enough;
- competitor enterprises that are close in size and are in a difficult financial situation and cannot meet the needs of consumers;
- small enterprises, product whose notis in demand due to low technical characteristics or high prices [49, p. 148].

In general, F. Kotler identified five possible attack strategies that can be used in the process of managing the life support of construction enterprises (Fig. 2.9).

High level:- cost leadership strategy – cost leadership strategy is based on the ability or desire of construction enterprises to achieve lower costs compared to competitors and is mainly related to the existence of the "experience effect".



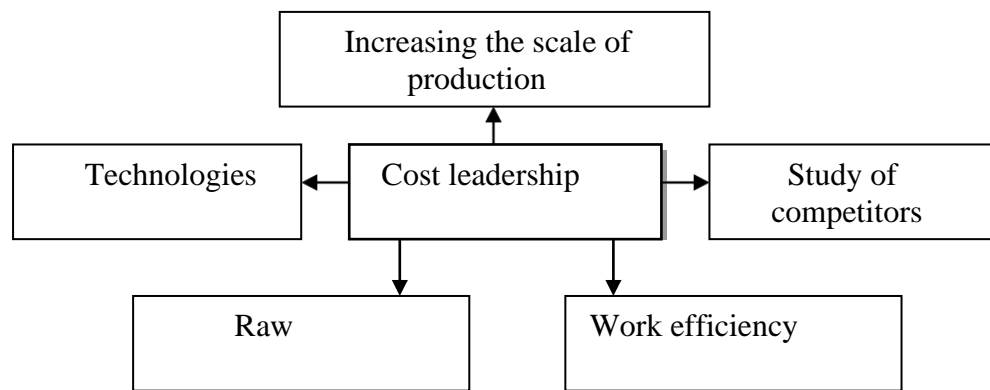
**Rice. 2.9. Attack strategies of challenger construction enterprises**

Note: developed by the author based on data [69, p. 676]

We would like to point out that industrial enterprises that have adopted cost leadership as a competitive marketing strategy must produce products with the lowest costs in order to be one step ahead of the competition.

An important aspect of this strategy is that the cost of raw materials should be low, since the cost of raw materials determines the final price of industrial products. Also, industrial enterprises must produce efficient products to achieve cost leadership.

We would like to highlight four important components that ensure the implementation of the cost leadership strategy at construction enterprises (Fig. 2.10).



**Rice. 2.10. The main elements of the cost leadership strategy in the process of managing the life support activities of construction enterprises**

Note: developed by the author based on [49; 57]

The main principle of increasing the scale of production within the strategy of cost leadership at construction enterprises is that increasing the production of the number of construction products reduces the final cost of a unit of food product.

Creating effective and innovative technologies and methods can help an industrial enterprise become a cost leader. This will help reduce production time per hour, as well as the number of personnel. There is also a strategy of selling patents for their innovative products and making a profit in this way.

Industrial enterprises that can get raw materials at a lower price will make more profit than their competitors. A low price for raw materials will ultimately lead to a decrease in the cost of the product and win over competitors in the market.

The cost of production of industrial products can be significantly reduced in terms of work efficiency in a certain period of time. If you complete the task in less time, it will increase the production of products per day, which will lead to an increase in the profit of the enterprise.

Industrial enterprises must constantly monitor their target consumers (competitors' technology, the method of production of goods and services, the price for which they buy raw materials, etc.). By doing this, they are able to deliver products at lower costs.

In addition, at construction enterprises, it is necessary to apply an effective system of control over fixed costs, a rationally constructed design of

new construction products, and low marketing costs. However, customers should not have the impression that industrial products are cheap or of poor quality. Such a competitive advantage provides stable guarantees from five competitive forces (suppliers, existing and potential competitors, producers of substitute goods and consumers), because the first to feel the effects of competition are industrial enterprises that work inefficiently. Effective implementation of this strategy requires stable investments, high competence, systematic control over production and sales, availability of easy-to-manufacture, standard products.

The strategy of the market leader - in the industry there are generally recognized leader enterprises that have the largest market share and are ahead of other enterprises in terms of price changes, the speed of bringing new products to the market, the territories of product distribution and the costs of sales promotion. A leader may be admired by some enterprises and disliked by others, but other industrial enterprises recognize his dominant position. It is always and constantly the object of close attention from competitors, it is an enterprise that they seek to bypass, imitate or avoid. The market leader is the industrial enterprise that covers the largest market share. The market leader determines changes in price policy, directions of innovation, intensity of advertising and sales activities. Thus, he is the legislator of the marketing complex in a certain market.

The market leader exists in every branch of industry, in every field of business, in every commodity and territorial market.

Being a market leader is both profitable and risky at the same time. The advantage lies in the fact that the market leader has a solid market position, a certain high image and the ability to influence the marketing activities of this market as a whole. That is, the market leader is simultaneously a marketing leader [43].

The risk of a market leader lies in the fact that, firstly, there are always challenger firms on the market that try to dislodge the leader from his position on the market, and secondly, there are always follower firms on the market that apply an imitation strategy and can damage the image of the leader.

In order to maintain the primacy, the market leader should act in the following directions under the existing market capacity:

1) the company can reduce pressure from competitors through mergers and acquisitions, the company must find opportunities and means to increase aggregate demand,

2) it needs to aim to increase its market share, even when the overall market size remains the same,

3) constant cost reduction should always remain a strong point of the company,

4) the company must defend its current market share through defensive and offensive actions. These five directions are the basis of the strategic activity of the market leader.

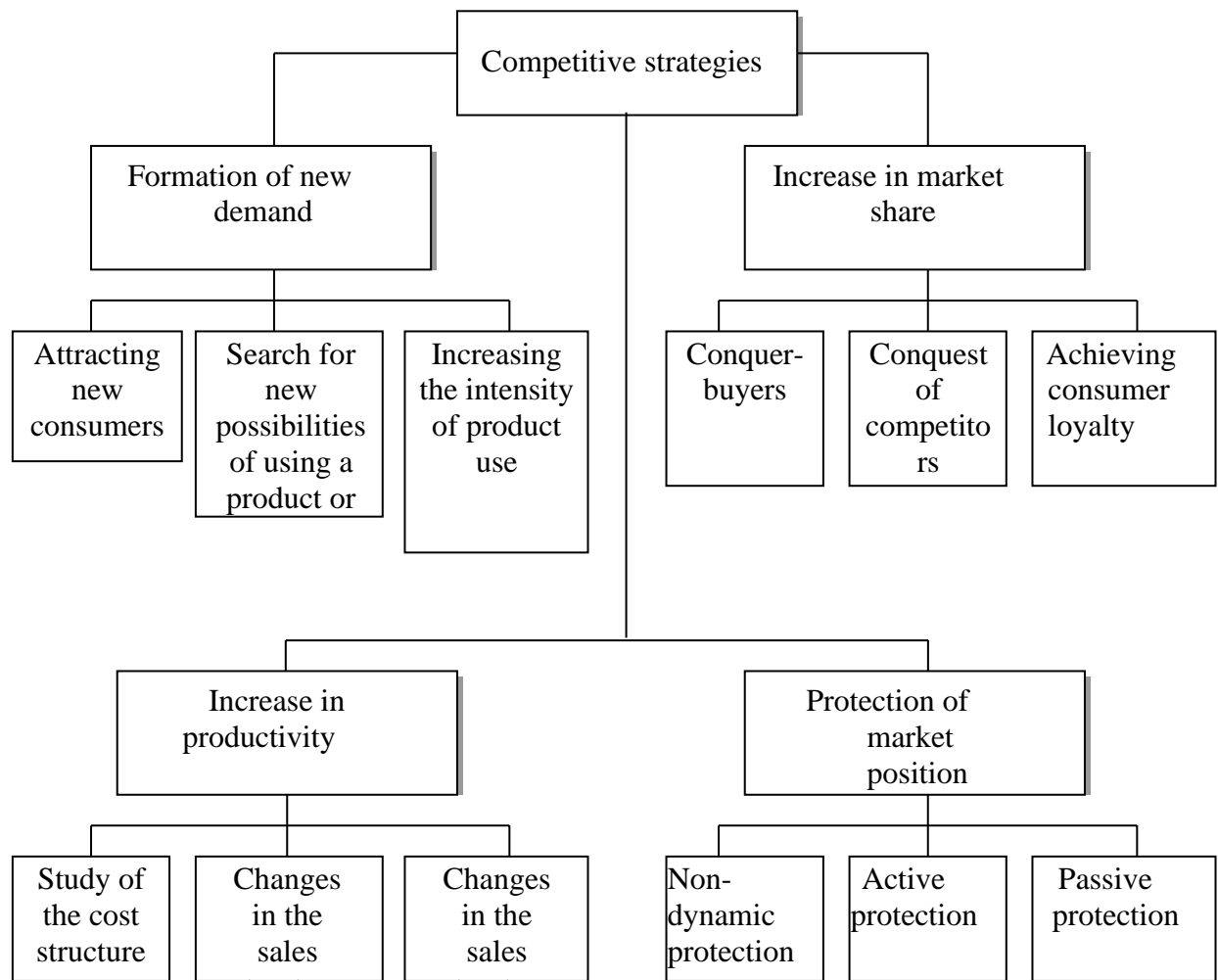
In practice, we cannot determine the clear boundaries of the transition of an industrial enterprise from one stage to another, therefore, it is necessary to conduct a constant analysis of the state of the enterprise in order to timely detect changes in its internal and external environments of functioning and development.

Such analytical activity will make it possible to respond in time to changes in influencing factors and to adjust the competitive strategy depending on the requirements of the firm's environment [74].

It should be noted that Kotler F. developed a whole system of strategies within the framework of the market leader's strategy, which fully reveal the key points of the behavior of construction enterprises on the market (Fig. 2.11).

Thus, the application of various types of strategy during the management of the enterprise depends on the level of life support of the activity at the moment [71].

But it should be noted that the distribution of the use of strategies depending on the level of life support of construction enterprises is to some extent conditional in nature, in practice there are situations when, for example, the strategy of differentiation can be used at medium and even high levels, and vice versa, elements of strategies of medium or high levels can be implemented in at a low level.



**Rice. 2.11. Strategies of the market leader in construction enterprises**

Note: built by the author on the basis of [69, p. 663; 73]

## **2.2. Competitiveness as basis life supportactivities of construction enterprises**

Competition is the main element of the market economy and serves as the main regulatory mechanism in the economy. At the current stage of economic development, competition is the driving force that forces subjects of economic activity to constantly look for new ways to increase their competitiveness [74, p. 264].

Competition is also an integral part of a developed industrial market. In this connection, there is an urgent need to study competition, its level and intensity, to know the forces and market opportunities

the strongest competitors of the strongest competitors, the prospects of competition in selected markets where industrial enterprises operate.

In general, it should be noted that the theoretical aspects of the formation and management of the competitiveness of various branches of the economy were developed in the works of such foreign and domestic scientists as Azoev H., Ansoff I. [14], Bilorus O., Voronkova A., Gelvanovskyi M., Druker P [65], Yemelyanov S., Ivanov Y., Matseyko Y., Mykhailov O., Omelyanenko T., Piddubna L., Poklonskyi F., Porter M. [47], Sokolyuk G., Smith A., Rozhok V., Fathutdinov R., Schumpeter Y. and others.

Therefore, a special place in the activity of construction enterprises belongs to competitiveness. But, in our opinion, before proceeding to the analysis of competitiveness, we consider it necessary to consider such an important concept in the process of managing the life support of construction enterprises as "competitive potential".

After all, the competitiveness of enterprises directly depends on the action of a set of factors, including factors of the external and internal environment and competitive status, which is determined by the level of competitive potential. The potential competitiveness of construction enterprises is determined by its competitive potential, that is, the capacity and level of opportunities to ensure competitiveness.

It should be noted that among scientists there is no single approach to the interpretation of the concept of "enterprise potential", this is due primarily to the fact that this concept is used in various areas of the economy and scientific areas (Table 2.5).

Thus, we would like to note that the analysis of the scientific literature gives grounds for asserting that currently there is a wide variety of approaches to the interpretation of the essence of the concept of "enterprise potential". By way of generalization, we identified two main approaches to understanding the concept "enterprise potential".

**Table 2.5**

**Interpretation of the concept of "enterprise potential"**

Author	The essence of the concept
1	2
Ryan B. [75, p. 61]	the real or probable ability of the enterprise to perform targeted work
Lapin E. [76]	the totality of the company's resources that exist at its disposal for implementation production activity
Plikus I. [77]	is the sum of resource and operating potentials. Resource potential includes assets owned by the enterprise (including property rights) and sources formation of assets (equity and loan capital). The available resource potential is an active potential, the result of which is a certain amount of profit or loss
Krasnokutskaya N. [78]	it is the ability of the system of resources and competence of the enterprise to create a result for the interested parties through the implementation of business processes
Ajman I. [79]	is the ability, the ability to contribute to meeting the needs of society, to develop in a certain direction, to achieve the set goals under conditions of maximum efficiency, to obtain the planned results, raise competitiveness due to the population formed at a certain point in time structured resources that are used in the languages of the action of factors of the external environment
Basil N. [78]	This is a set of resources that are at his disposal or can be involved in his economic activity to create goods, perform works or provide services with the aim of maximally meeting the needs of consumers and increasing competitiveness of the enterprise on the market.
Reisberg B. [79]	the aggregate capacity of the country's economy, its industries, enterprises, farms to carry out production and economic activities, produce products, goods, services, satisfy the demands of the population, social needs, ensure the development of production and consumption.
Self-taught AN [80]	industrial relations arising between individuals employees, labor collectives, as well as the management apparatus regarding the full use of their abilities to create material goods and services.

Note: formed by the author based on [75-80]

The first systemic approach considers the potential of the enterprise as a certain system of blocks that characterize the state of a certain component of the industrial enterprise [81]. The second approach is functional - understands the potential of the enterprise as the relevant aspects of its implementation in a certain field of activity of the industrial enterprise - production potential, innovative, personnel, financial, informational, etc.

In modern market conditions of industrial development, the concept "competitive potential" is beginning to gain great relevance as one of the key signs and characteristics of the sustainability of an industrial enterprise and its development in the future.

### **2.3. Toolkit of strategic management of the innovative potential of the enterprise in the implementation of the life support of its activity**

Industry plays an important role in the national economy of Ukraine. The state of the economy, markets, environmental safety, the level and quality of life of the population, and its health depend on its stable and sustainable functioning and level of development. The basis for the effective and competitive development of enterprises in the construction industry is the presence of an appropriate and diverse raw material base and markets for the consumption of finished products, logistical conditions and innovations [22, p. 458].

We agree with the point of view of L.O. Marmul, who emphasizes that only the accelerated development of innovative processes, which are based on the systematic and effective use of the achievements of scientific and technical potential, the latest developments of products and technologies, is the main factor in the economic growth of industrial enterprises [ 22, p. 61].

Based on the fact that the subject of our scientific research is the life support management of construction enterprises, we will study innovations in the context of this issue. But before proceeding to the direct consideration of innovative activity, as a key strategic vector of life support activity and development of construction enterprises, let's reveal the essence of the concept of "innovation".

It should be noted that today in domestic and foreign economic literature, the concept of "innovation" is the subject of scientific discussions, and therefore there is no unified approach to its interpretation among scientists. For example, V. G. Medinskyi, depending on the object and subject of innovation research, notes that scientists consider the concept of "innovation" as: a process; system; changes; result [23, p. 6].

Other researchers distinguish five approaches to the interpretation of the concept

"innovation" - objective, process, objective-utilitarian, process-utilitarian,

process-financial [24].

O.S. Hamanets interprets the concept of "innovation" from the point of view of a value approach, because he understands by it "the final result of intellectual activity that has passed the path from idea to implementation on the market, expressed in the form of consumer value (quality side), that is, it brings utility to its to the end consumer, and the exchange value (quantitative side) and brings effects taking into account the possibilities of risk during implementation [25, p. 215].

In the Great explanatory dictionary of the modern Ukrainian language, concepts

"innovation" is interpreted in the following meanings:

- innovation;
- a set of measures aimed at introducing new equipment, technologies, inventions, etc. into the economy [26, p. 506].

Therefore, the concept of "innovation" is used in various spheres of activity, which determines its different presentation in theory and practice. That is, a category

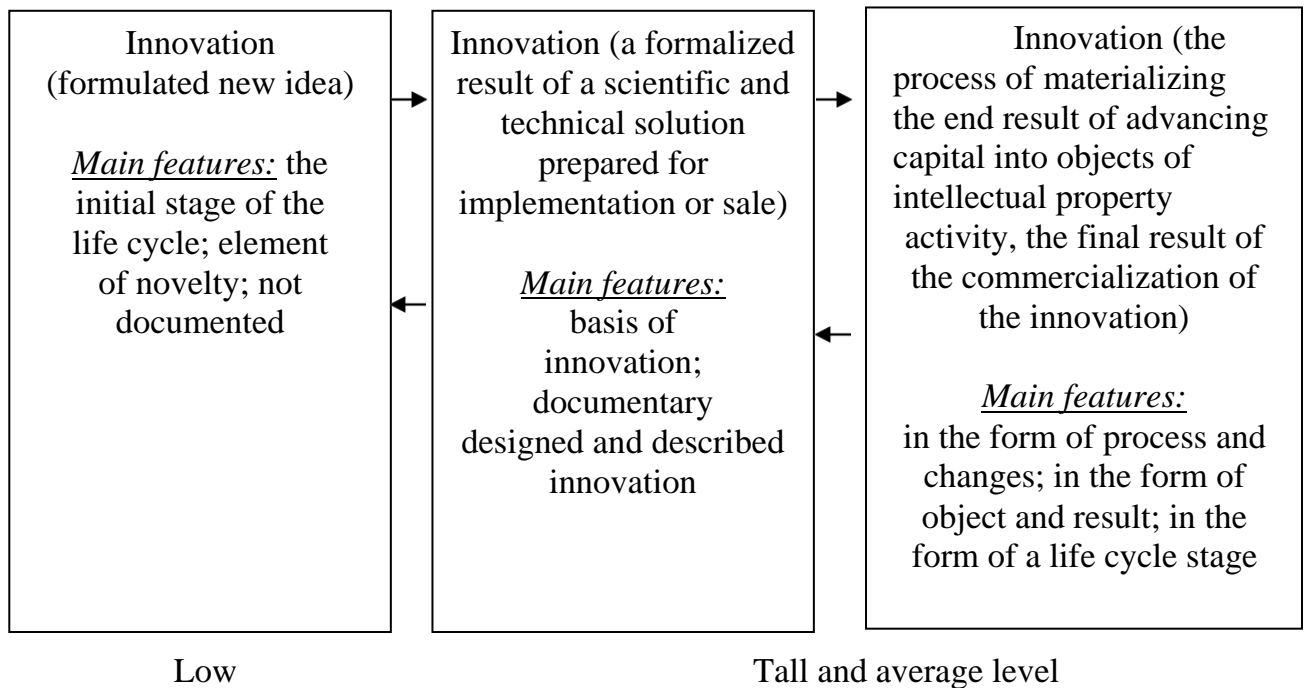
"innovation" is interdisciplinary in nature, as it is used in all fields without exception and in everyday life [27, p. 156]

We support the point of view of those scientists [29-40; 41; 42; 43; 44], which consider the concept of "innovation" within two approaches - objective and process.

In addition, the relationship of concepts is debatable in scientific circles "novation", "innovation", "innovation".

We agree with the opinion of A. V. Karpenko, who believes that these concepts must be distinguished (some researchers equate them), because they have distinctive features (Fig. 2.18). It should be noted that the concepts indicated in fig. 2.18 showed taking into account the levels of management of life support activities of construction enterprises. Namely, at a low level, the process of innovation is characteristic, and at medium and high levels

(construction enterprises), innovations and actual innovations are introduced.



**Rice. 2.18. Interrelationship of elements of innovative activity taking into account the levels of management of life support activities of construction enterprises**

**Note:** developed by the author based on data [45, p. 69]

It should be noted that the implementation of innovations at construction enterprises can be considered at different levels of life support management of their activities and with the use of different methodological approaches. Various methods are also used to analyze the formation and implementation of innovations at construction enterprises.

For example, it may be used methods and techniques that are related to the final result of the introduction of new construction products, with data on the number of circulation of new construction products on the market or conducting a survey on the innovative activity of construction enterprises. The application of a number of methods in the research process gives an opportunity to get a complete picture of the priorities in the innovative activity of

construction enterprises.

It should be noted that the process of scientific research is complicated by the aspect that in domestic science, the conceptual and categorical apparatus in the field of innovation in industry is constantly changing.

Thus, the Law of Ukraine "On Innovative Activities" defines that an innovative enterprise develops, manufactures and sells innovative products, the volume of which in monetary terms exceeds 70 percent of its total volume of products [35, Art. 1].

Often, scientists consider innovative entrepreneurship as the most important tool for the development and transformation of the economic system in the conditions of modern development [46, p. 113].

Therefore, an innovative industrial enterprise is both a system of organizing modern production and the result of the implementation of intellectual ideas and developments, which is aimed at the development and implementation of innovative industrial products, based on market and state principles and mechanisms.

In our opinion, during the implementation of innovative activities in the process of managing the life support of construction enterprises, the provisions developed in his scientific work "Theory of economic development" by the classic of innovation theory, the Austrian economist J. Schumpeter (Fig. 2.19).

As Appendix D shows, fig. D.2. in essence, J. Schumpeter proposed a typology of innovations, which is still used in construction enterprises.

It should be noted that there are other approaches to the classification of types of innovations used in construction enterprises. Such a common approach among Ukrainian and foreign scientists regarding the typology of innovations is to divide them into four types - product, process, marketing and organizational [47, p. 10 -13; 48, p. 9-10; 49, pp. 162-163].

However, there are other approaches to the classification of types of innovations at construction enterprises, for example, the scientist L. A. Radkevich singles out the following - technological (process); food

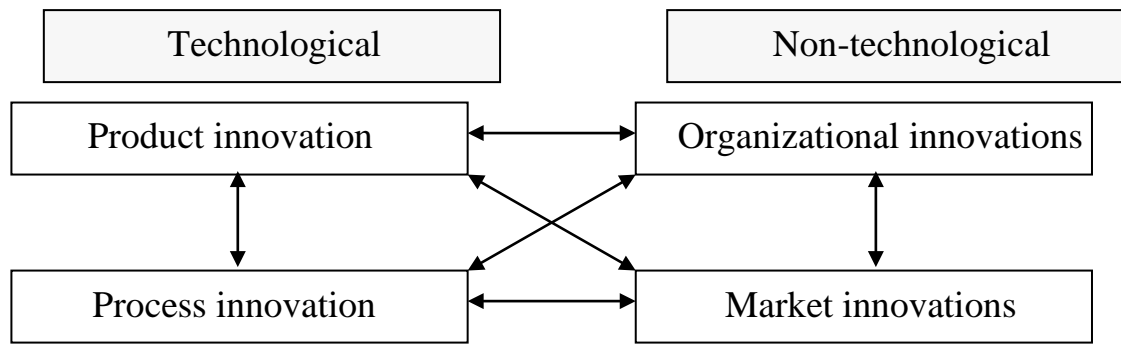
(assortment); marketing (management); infrastructural (organizational) [50, p. 7].

Kalinina I.V. and Fatkullin R.I. single out two criteria by which they divide innovations at construction enterprises: product and process (criterion – nature of innovations) and technical, economic, social, managerial (criterion – by content) [51, p. 18].

In our research, we will also follow this approach to the classification of innovations in the process of managing the life support of construction enterprises, dividing them into two interrelated groups: technological and non-technological (Fig. 2.19).

Industrial product innovation is the introduction of a product that is new or significantly improved in its properties or ways of use.

Such an innovative product is intended for both individual and mass consumption with the aim of expanding the assortment and nomenclature, meeting the needs of the population in the consumption of construction products, different from traditional ones, etc.



**Rice. 2.19. Types of innovations used in the process of managing the life support activities of construction enterprises**

Note: developed by the author [49; 251]

It should be noted that innovative approaches to the production of industrial products are changing rapidly, because they constantly take into account the modern needs of consumers. Based on the fact that the industry consists of a large number of industries, we will reveal the current trends in the introduction of innovations in industrial products using the example of the construction industry.

The study of the structure of modern construction products showed that at present innovative products primarily include functional food products. In the current legislation of Ukraine, it is defined that "functional food product" is a product that contains medicinal products as a component and/or is offered for the prevention or mitigation of the course of a human disease [52, p. 1]. Thus, such food products help preserve and improve human health, reduce the risk of disease and are intended for regular use by all population groups, because they have specified biological properties and are enriched with essential nutrients and micronutrients [53, p. 25].

Process innovations in industry. We would like to note that this type of innovation in industry is often called technological innovation by scientists. After all, their main essence is to improve (improve) innovations at construction enterprises based on the application of new technologies, modernization of the technological process.

We agree with the opinion of L.A. Radkevich, who refers to process innovation as:

- development and implementation of raw material storage technologies, which is the basis for the production of construction products;

- the use of resource-saving technologies, which are characterized by the maximum useful output of finished products and a minimum of waste, based on modern processing methods;

- improvement of technological processes in order to reduce the time of the production cycle without losing the quality of finished products;

- development and implementation of own packaging lines that will fully meet the specifics of the products being manufactured;

- improvement of containers, packaging and methods of transportation [50, p.7-8]. We would also like to note that during the implementation of process innovations,

the main requirements are the modernization of resource conservation and environmental friendliness of the processes used in construction enterprises. And this, in turn, is an important element in the process of managing the life support of construction enterprises in Ukraine.

Market (marketing) innovation of industry - aimed at researching sales markets, new sales channels, finding new customers, using new sales methods, advertising innovative products, promoting food products to sales markets, forming new price strategies [54, p. 18].

Chorna N. P. notes that "a distinguishing feature of marketing innovation compared to other changes in marketing tools is the introduction of a sales method that was not used by the company before. This change should be part of a new sales concept or strategy, which is a significant departure from sales methods that previously existed in the enterprise" [47, p. 11].

Organizational innovations of industry are primarily related to the implementation of a new way of doing business, new management styles, new

organizational and management decisions, organization of workplaces and external relations, etc. Organizational innovations can be aimed at increasing the efficiency of construction industry enterprises by reducing administrative costs or operational costs, increasing employee satisfaction with the state of their workplaces, expanding access to non-marketable assets, etc. [47, p. 12].

In our opinion, the following are the main structural elements of the innovative system of the management process of life support activities of construction enterprises, which we will analyze:

1. innovative potential - a system of factors and resources that are necessary for effective management and organization of innovative activities of construction enterprises.

2. innovativeness is a qualitative concept that determines the presence of new technologies and products that increase the efficiency of the enterprise in the process of managing the life support activities of construction enterprises.

3. innovative activity - creative, dynamic and purposeful activity of manufacturers of industrial products, regarding the implementation of innovations in the process of their economic activity.

We would also like to note that in our scientific research we consider these elements not only from the point of view of a systemic approach, but also from the standpoint of a functional approach, understanding them as basic elements and innovative activities of construction enterprises:

- 1-th element Innovative potential of life support management of construction enterprises. It should be noted that this element at construction enterprises in the context of the life support of their activities is of great importance, because it is a set of factors and resources that are a prerequisite and basis for the formation and development of innovative activities at the enterprise.

Some researchers understand the innovative potential of an industrial enterprise as a certain group of resources necessary and sufficient for

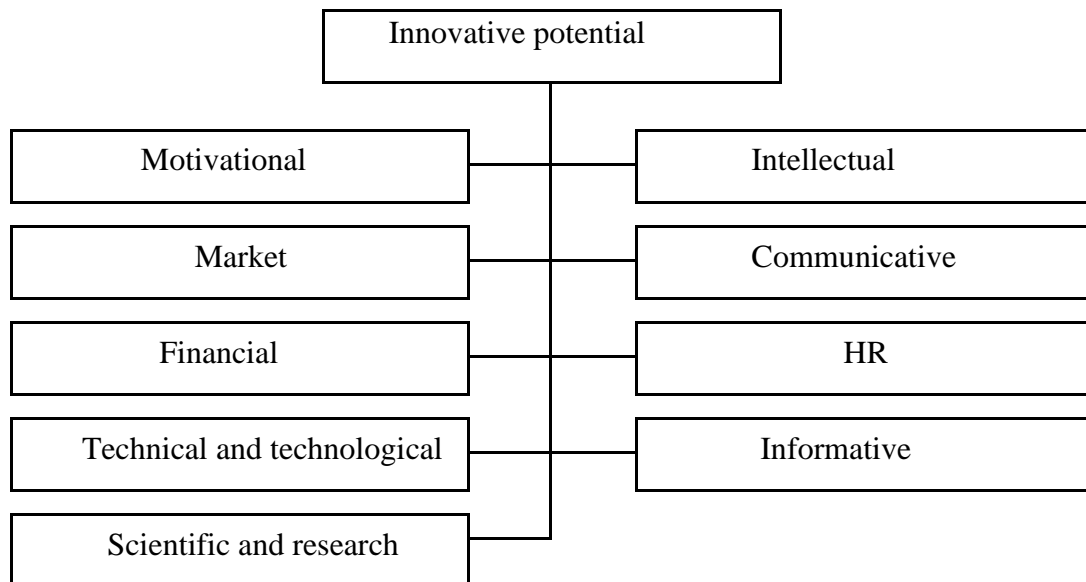
production of innovations, their implementation in specific technologies, organizational or management solutions, the ability to perceive innovative ideas, the possibility and economic feasibility of production and promotion of innovations on the market [255, p. 9].

The main components of the innovative potential of construction enterprises are shown in fig. 2.20, which consists of:

- market potential in the process of managing the life support of construction enterprises shows the level of compliance of their capabilities with the external market needs of innovations that are synthesized within the market environment;

- financial potential is characterized by what reflects - the compliance of the financial state of the investment attractiveness of construction enterprises, their ability to pay loans, the system of effective management of the enterprise's finances to ensure the sustainability of innovative activity at all levels of management of the life support of construction enterprises;

- personnel potential - provides opportunities for the personnel of construction enterprises to implement new ideas, knowledge and technologies, organizational and management solutions, to develop and manufacture new innovative products;



**Rice. 2.20. The structure of the innovative potential of construction enterprises**

- intellectual potential - shows generative messages regarding the creation of ideas and ideas for innovations (startups) at construction enterprises, bringing them to the level of new technologies and organizational and management solutions.

- information potential - consists in the information security of construction enterprises, reveals the level of scale and accuracy of information necessary for making effective innovative decisions.

- motivational potential - combines all subjects into an interconnected system: developers of innovations; manufacturers of new industrial products; investors, suppliers of raw materials, materials and components; trade and sales intermediaries; consumers; society as a whole, etc.

- communication potential is characterized by the presence of communication links that reflect the level of certainty and efficiency of interaction of construction enterprises with elements of the external environment, which contribute to the realization of the goal of their innovative activity.

- scientific and research potential - consists in the presence of a created reserve of research results at construction enterprises, sufficient for the generation of new ideas, the ability to conduct research

with the purpose of testing innovation ideas and the possibility of their use in the production of new industrial products.

- technical and technological potential is the ability of construction enterprises to quickly reorient production facilities and establish cost-effective production of new products that meet market needs (requests).

2-th element Innovativeness. It should be noted that the definition of the concept of "innovativeness" is absent in the normative legal acts of Ukraine, and it has not been sufficiently researched among domestic scientists.

V. Yachmenyova and V. Kuzmych understand the definition of "innovativeness" as a characteristic that reflects the moderate activity of the innovative activity of the enterprise, which ensures the reliability of the operation of its systems and subsystems, does not contradict the humanization and socialization of society, increases the market value of the enterprise in the future and does not violate the ecological balance with the environment [65, p. 162].

It should be noted that there are opinions among scientists who, comparing the concepts of "innovation" and "innovation activity", note that the scientific category "innovation" is broader in essence and content.

Thus, K.D. Latypova asserts the concept of "innovativeness is much broader than traditional interpretations and aspects of innovative activity ... In innovativeness, it is necessary to consider not only economic orientation, but also a special type of perception and relationships, value attitudes and motivations, the trajectory of convergence of individual and general, micro-society and macro-strategies" [66, p. 166].

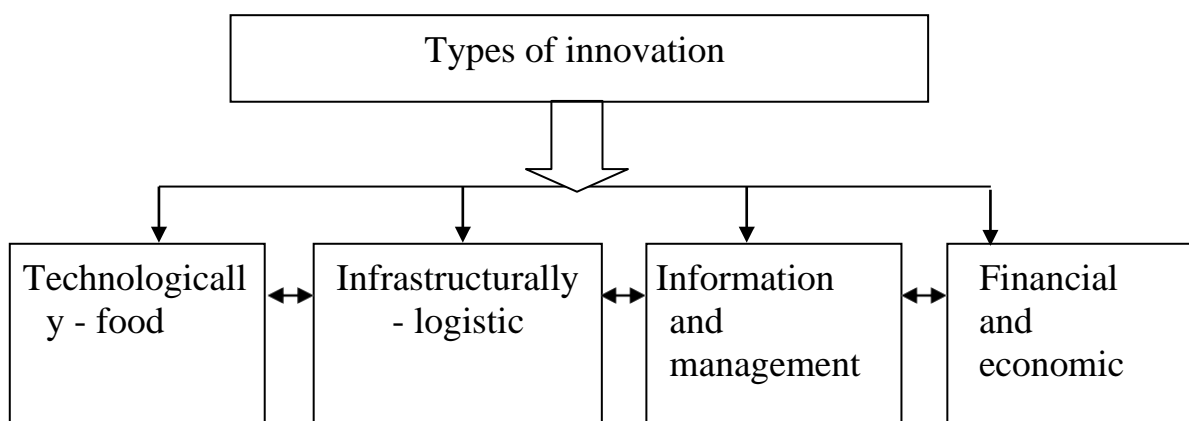
Our conceptual approach consists in the fact that we do not equate these two concepts, but consider innovativeness as an essential (basic) component of innovative activity, which is used in the process of managing the life support of construction enterprises.

In our opinion, among domestic scientists, the researcher D. I. Skvortsov meaningfully considered the concept of "innovation". He notes that the concept

innovativeness is a narrower concept compared to innovation, under which it is understood as a qualitative concept from the standpoint of economic theory, which emphasizes the presence of a new phenomenon, products, technology, etc., which provide an opportunity to increase efficiency" [67, p. 312]. But he continues that the concept of "innovation" should be characterized by the following criteria:

- the possibility of obtaining competitive advantages (for example, the release of exclusive products);
- efficiency factors production, What is defined lowercosts per unit of products (services) or quality improvement;
- the presence of conditions for obtaining economic profit [68, p. 34].

In addition, D. I. Skvortsov classifies innovativeness according to the following types (Fig. 2.21).



**Rice. 2.21. Classification of innovativeness according to Skvortsov D.I.**

Note: built by the author on the basis of [67, p. 313]

3-th element Innovative activity.

In our opinion, among the elements of innovative activity of construction enterprises in the context of managing their livelihoods, innovative activity plays an important role. After all, this concept, in our opinion, is an integral indicator that combines personal aspects (initiative, innovation, creativity of managers during their implementation

innovative activity at construction enterprises) and production and technological aspects.

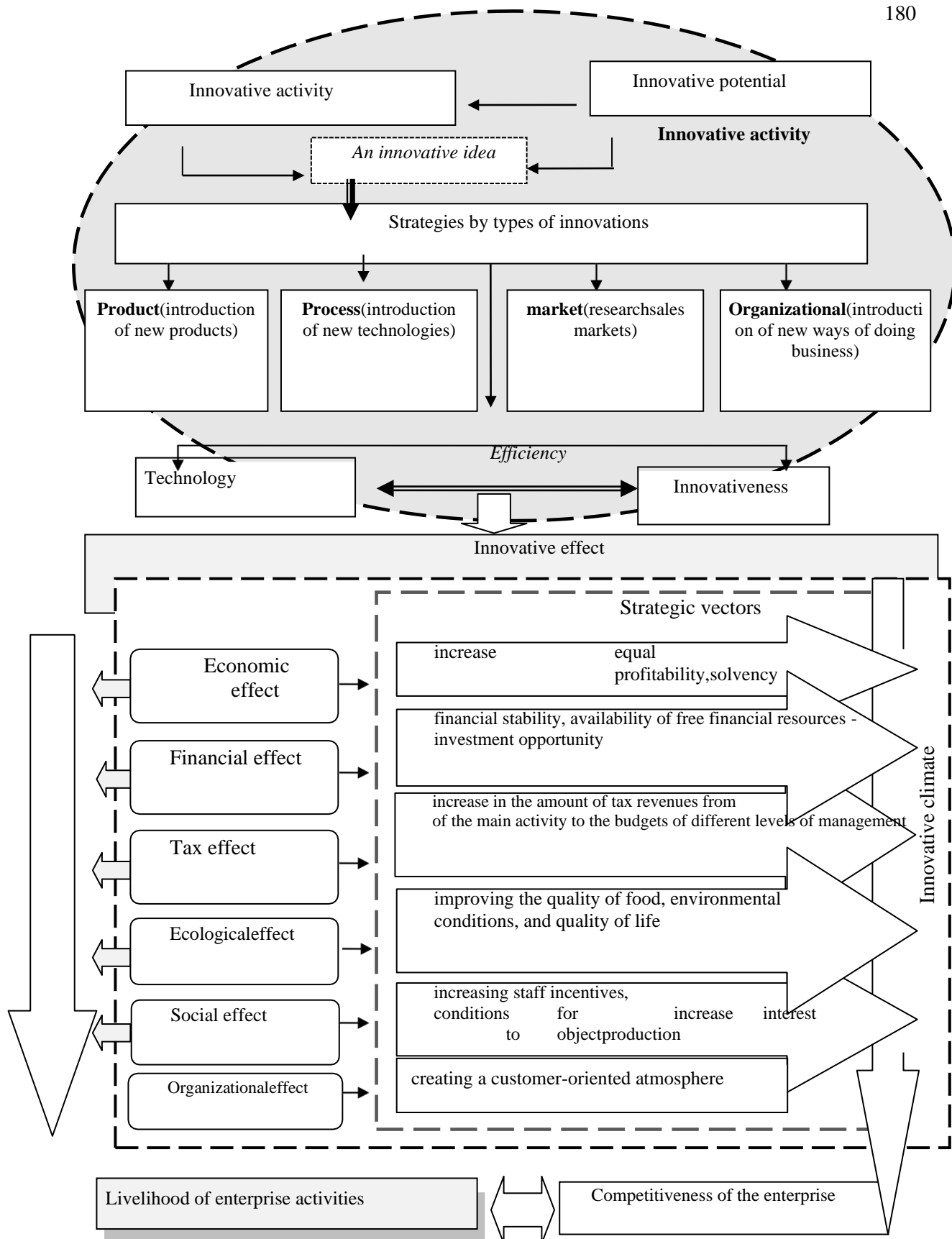
This element of innovative activity is an important factor for the innovative development of construction enterprises. Innovative activity characterizes all life support management processes of construction enterprises, which directly affect their innovative development.

Therefore, we agree with the opinion of Ukrainian scientists Pushak Y. Ya. and Lagodienko V. V., who note that the innovative activity of industrial enterprises is a key factor in increasing the efficiency of industrial production and strengthening the competitiveness of products on the domestic and foreign markets [69, p. 29].

Also, we would like to note that the formation of an innovative model at modern construction enterprises should take into account the external environment as well as the internal environment. Therefore, in addition to the mentioned elements, the innovation climate and development strategies of the innovative enterprise are also important, which are developed primarily at the initial stages based on the evaluation of the innovation climate.

Innovation climate is the conditions formed over a certain period of time in the environment of the enterprise, which affect the efficiency of its innovative activity and are divided into two components, micro- and macro-environments of the enterprise [70, p. 45]. Therefore, in the innovative management model of the life support of construction enterprises, we consider it expedient to take into account the innovative climate and innovative strategies (Fig. 2.22).

Thus, having analyzed the scientific works of domestic researchers regarding the issues of innovation development at construction enterprises of Ukraine, we would like to note the following vectors that, in our opinion, will stimulate innovative activity in the process of managing the life support of construction enterprises [71]:



Rice. 2.22. Innovative management model of life support activity industrial enterprise

1. vector - to develop and adopt at the state level (a competent body regulating the activities of construction enterprises) models for the development of innovative activities at enterprises with an open financing scheme for the development and implementation of innovative projects. In our opinion, the proposed design model will have to solve the following important tasks in the field of life support management of construction enterprises:

- determination of the optimal distribution of resources between investments in imitation of innovations that are already used in international practice, and advancing the processes of creating domestic innovations;

- establishment of the best distribution of resources between investments in the improvement of existing productions of past technological systems and the creation of productions based on innovations of modern and promising technological systems;

- determination of export possibilities of innovative industrial products;

- creation of opportunities for the implementation of the results of domestic scientific research, creation of infrastructure facilities for the innovative development of an industrial enterprise, etc.;

- substantiation of reserves and interest in the development of branch research activities.

2-The third vector is to create at the state level a mechanism for preferential taxation of the profit from construction innovations, to provide preferential lending for scientific research works and to modernize the process of preferential risk insurance of innovative industrial enterprises in Ukraine;

3-and vector - to propose a draft law to the current Tax Code of Ukraine by the relevant competent state body, regarding the creation of accounts for the synthesis of funds aimed at carrying out innovative activities at construction enterprises, with the help of which innovative projects are implemented. First of all, these accumulated funds, provided that they are used exclusively for scientific and technical activities and financing

innovation, expansion of own research and experimental bases, without taxation of accumulated funds to be left at the disposal of the industrial enterprise [55];

4 vector - to create a fund to support innovations used in construction enterprises, as well as on the part of the state to stimulate scientific, research and technological cooperation with the aim of forming a free information space for the transfer of technologies between states;

5 vector - within the regions of Ukraine to create regional centers of scientific and information support, with the aim of their control over the introduction of innovations in the process of managing the life support of construction enterprises and spending funds on innovative projects;

6 vector - consists in the formation and organization of venture financing institutes, the capital of which can be collected at the expense of large construction enterprises, banks, insurance companies, as well as the adoption of the Law of Ukraine "On Venture Activity";

7 vector - the introduction of construction enterprises of Ukraine - Industry 4.0, which will contribute to the modernization and further integration of chains vertically and horizontally, based on the use of smart service and smart construction products, as well as to ensure the creation of new promising business projects.

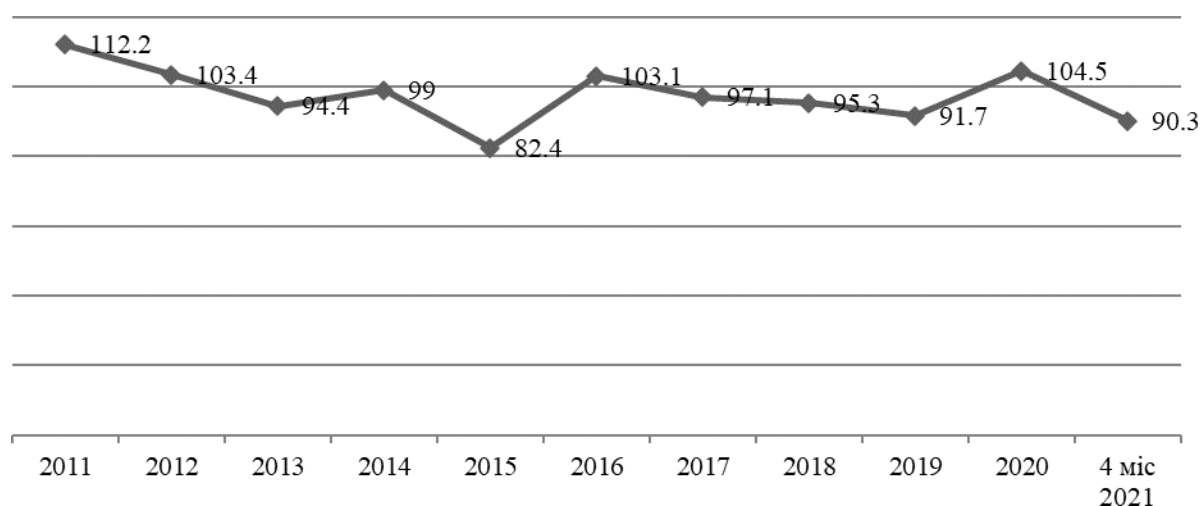
And this, in turn, will increase the level of competitiveness and innovative activity of construction enterprises, will ensure the effective use of innovative potential and innovativeness in the process of managing the life support of construction enterprises.

## CHAPTER 3 ANALYSIS OF LIFE SUPPORT MANAGEMENT OF CONSTRUCTION INDUSTRY ENTERPRISES IN UKRAINE

### 3.1. Research on the development of construction industry enterprises in Ukraine

The Ukrainian economy has significant opportunities in the competitive development of the country's industry, because the available technologies, personnel, resource base - all this gives it significant advantages among other industries and countries. Modern technological changes and competition in the international division of labor, the transition to Industry 4.0 processes further emphasize the important role of industry in ensuring economic growth.

The trends of production volumes in the industry of Ukraine over the past 20 years are not clearly expressed (in 2011, the index of industrial production was the highest at 112.2, in the crisis year of 2015 – the lowest and was 82.4) (Fig. 3.1).



**Rice. 3.1. Dynamics of indices of industrial production in Ukraine according to 2010-2021, %**

Note: formed by the author based on [72]

In the 4th month of 2021, the index of industrial production also has a positive trend compared to the previous year 2020 (almost 10% more to 96.8% in April 2021, compared to 87.2% in 2020).

Quarantine restrictions and the spread of the corona crisis in 2020 caused a decrease in industrial production in Ukraine by 5.2% compared to the previous year in 2019. Only in December 2020 there was growth, which continued the positive growth trend.

The industry of Ukraine is an important part of the country's economic complex. It includes more than 20 different branches, and in the type structure there are 3: extraction, processing, production and distribution of electricity, gas and water. The structure of industry is an important characteristic of the country's economy, as it affects economic development. Among the mentioned three elements of the industrial structure, the most attractive is the processing one, where a higher level of added value is created.

Indices of industrial production by type of activity in Ukraine for 2010-2019.

During 2010-2019, the volume of production of industrial products decreased, which is evidenced by a decrease in the index of industrial products by 12.5%. The largest reduction in the index of industrial production among the three elements of the structure of industry was characteristic of the processing industry (by 15.3) and the supply of electricity, gas, steam and air conditioning (by 14.1). Among the sectors of the economy, the biggest losses were felt in mechanical engineering (by 43.5%) and textile production, production of clothes, leather, leather products and others (by 20.5%).

Construction industry enterprises play an important role in the processing industry. The food industry in the economic complex of Ukraine is the largest and most important among the branches of industry. The main goal of the construction industry is to satisfy human needs for food. Under the conditions of proper management, it brings a considerable part of the state budget.

The construction industry includes more than 40 branches and industries, and the industrial production of construction products is carried out by more than 5,000 enterprises that produce a wide range of food products. Annual direct foreign investment in the food industry amounts to approx \$3 billion, which is more than 25% of total foreign direct investment in the country's industry [73].

The food industry is the key to Ukraine's food security. It includes more than 40 different industries, and this is almost 20% of the entire production of the country. A significant number of related industries are closely related to the effective functioning of enterprises in this area of the economy, the receipt of taxes to the budget of Ukraine, the provision of jobs, and the creation of favorable conditions for the development and health of the nation. By the way, Ukrainian products are valued all over the world according to [74], because a significant part of them is exported. The livelihood of enterprises in this industry is task number one

Analysis of the dynamics of the number of business entities engaged in the production of construction products, despite the general trends, shows an increase of 181 units. At the same time, in 2011, 2016 and 2017, they decreased. The share of individual entrepreneurs among business entities in the food industry is smaller compared to the general structure in Ukraine at the level of 54.3-68.3% as opposed to 77.2-83.6% (Table 3.1).

The dynamics of the number of business entities by type of economic activity in 2010-2019 allows us to see that despite the noted importance of the construction industry, the share of enterprises engaged in the production of construction products is less than 1 percent (0.69-0.80%).

Based on the logic of the research, among the main types of economic activity that should be analyzed within the construction industry, the following were chosen: production of oil and animal fats (10.4); production of products of flour milling and grain industry, starches and starch products (10.6); production of bread, bakery and flour products (10.7).

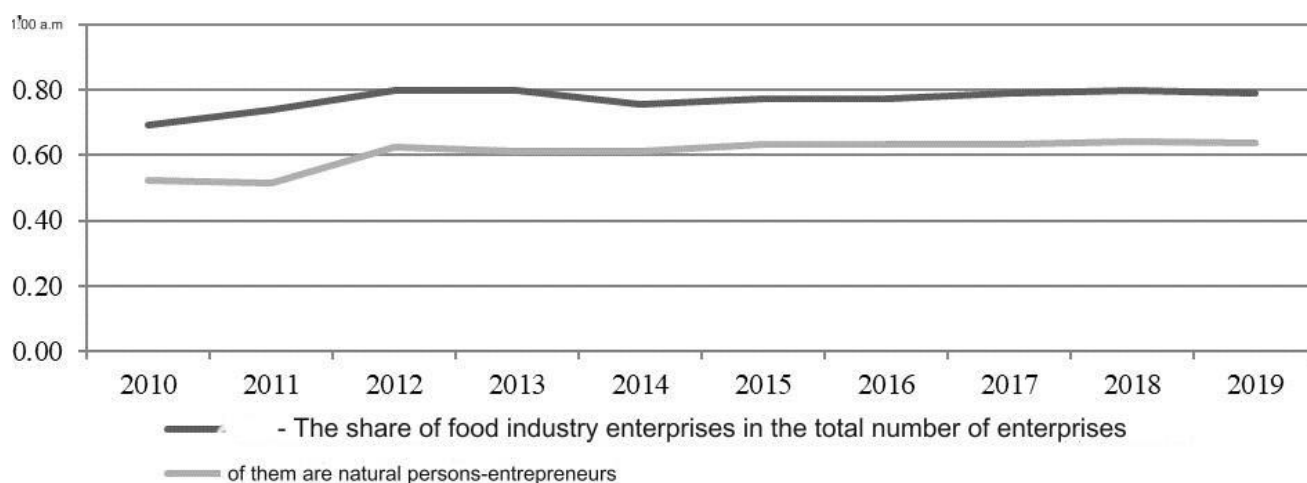
## Table

### 3.1 Dynamics of the number of business entities in the food industry of Ukraine in 2010-2019

Years	Total, units	Annual deviation	Of them, natural persons-entrepreneurs, unit	in % to the total indicator
2010	15128	-	9422	62.3
2011	12589	-2539	6837	54.3
2012	12785	196	7737	60.5
2013	13769	984	8156	59.2
2014	14621	852	9735	66.6
2015	15264	643	10355	67.8
2016	14447	-817	9866	68.3
2017	14270	-177	9314	65.3
2018	14681	411	9533	64.9
2019	15309	628	9960	65.1
Deviation	181	-	538	2.8

Note: formed by the author based on [75]

In 2010-2019, although the total number of economic entities involved in the production of construction products increased by 181 units, and the production of oil and animal fats in the researched direction - by 96 units, and in the other two there was a reduction.



### Rice. 3.2. The specific weight of enterprises engaged in the production of construction products in the total number of enterprises

Note: formed by the author based on [75]

Comparative characteristics in the dynamics of the total number of business entities in general, in the food industry and individual branches

directions of the construction industry in Ukraine for 2010-2019 presents different trends: the number of economic entities involved in the production of oil and animal fats increased by 96 units during 2010-2019, while the number of individual entrepreneurs, on the contrary, decreased by 176 units; the number of economic entities involved in the production of products of the flour-milling and groats industry, starches and starch products - decreased by 345 units. and 251 units. in accordance; the number of business entities producing bread, bakery and flour products decreased by 181 units, and the number of individual entrepreneurs increased by 216 units.

For 2010-2019, the dynamics of indicators in terms of the size of large, medium, small, and micro enterprises by individual types of economic activity made it possible to determine that the largest share of enterprises belongs to the group of small business entities. The specific weight of the group of small business entities involved in the production of construction products in Ukraine is similar, but somewhat smaller, among which the main share belongs to micro-enterprises (75.9-85.2%).

The dynamics and comparison of the number of economic entities involved in the production of construction products by size indicates that during 2010-2019, the number of large ones increased by 11 units. and small - by 358 units, and medium - decreased by 188 units. In recent years, the number of enterprises has increased (large and medium-sized enterprises in 2017-2019, and small enterprises in 2018-2019) (Table 3.2). The efficiency of the work of enterprises in Ukraine, represented by the dynamics of net profit (loss), allows us to see unprofitability in 2013-2015. For 2010-2019, the amount of profit increased by UAH 509872871.8 thousand, which was a consequence of the increase in the share of profitable enterprises on 16.3%. The amount of profit received by profitable enterprises increased by UAH 61,682,026.6 thousand, and the loss from unprofitable enterprises increased by UAH 1,069,49154.8 thousand.

Table 3.2

**The number of subjects of large, medium and small enterprises from  
production in 2010-2019**

Years	That's all					
	subjects of large enterprises, thousand hryvnias	annual deviation	medium-sized enterprises, thousand hryvnias	annual deviation	small business entities, thousand hryvnias	annual deviation
2010	44	-	1141	-	13943	-
2011	63	19	1129	-12	11397	-2546
2012	76	13	1089	-40	11620	223
2013	70	-6	1021	-68	12678	1058
2014	57	-13	902	-119	13662	984
2015	45	-12	883	-19	14336	674
2016	39	-6	868	-15	13540	-796
2017	47	8	910	42	13313	-227
2018	48	1	936	26	13697	384
2019	55	7	953	17	14301	604
Deviation	11	-	-188	-	358	-

Note: formed on the basis of [75]

The production volumes of certain types of construction industry products show negative trends, except for the production of unrefined sunflower oil and its fractions. Production volumes of wheat or wheat-rye flour, bread and bakery products, short-term storage, as well as white refined beet sugar in solid form (after growth in 2015-2017) are visibly decreasing.

Table 3.3

**Production of certain types of construction products and beverages in Ukraine  
in 2000 2019**

Years	Grated, powdered, blue and other cheese unmelted, thousand tons	Wheat and wheat flour but-rye, thousand tons	White refined beet sugar in solid form, thousand tons	Sparkling wine from fresh wine hail, thousand dal	Malt beer, million dal	waterwith the addition of sugar and other sweetening or flavoring substances, i.e. non-alcohol drinks Limonade type, orange, mln.dal
2000	50.0	2710.0	1551.7	3418.0	107.6	...
2005	223.6	2679.6	1899.6	4866.5	235.3	162.3
2010	185.8	2422.5	1546.2	6025.2	306.6	134.4
2015	96.6	2056.4	1459.3	4753.6	194.8	100.4
2016	86.5	1974.0	1997.0	4740.9	180.8	107.8
2017	94.3	1991.0	2042.7	3733.4	179.5	131.7
2018	97.0	1746.0	1753.6	3399.1	181.9	144.1
2019	86.1	1737.6	1490.0	2690.9	181.6	154.0
Vidhi- lenienc e 2019- 2010 (+, -)	-99.7	-684.9	-56.2	-3334.3	-125	19.6
Vidhi- lenienc e 2019- 2000 (+, -)	36.1	-972.4	-61.7	-727.1	74	-

Note: formed on the basis of [75]

The dynamics of the volume of production by subjects of large, medium and small enterprises indicates an increase in volume for 2012-2019 by 3708065434 thousand UAH. At the same time, the share of production by large enterprises decreased by 9.4%, and by medium and small enterprises it increased by 2% and 7.4%, respectively.

Similar trends and structure are characteristic of enterprises producing food products. The volumes of production of products of the flour-milling and grain industry, starches and starch products, and the production of bread, bakery and flour products are almost the same, with similar trends, while the production of oil and animal fats is several times larger (Fig. 3.7). It is appropriate to note that the trends of production volumes in natural and monetary terms are almost the same, although in the production of bread,

bakery and flour products has a slight difference - growth in monetary units.

The volume of products sold (goods, services) by large, medium and small business entities by individual types of economic activity in Ukraine for 2010-2019 is growing. In the sales structure, large and medium enterprises have almost the same percentages, but the share of large enterprises decreases by 3.9%, while the share of medium and small enterprises increases by 1.7% and 2.2%, respectively. A similar dynamic is characteristic of enterprises engaged in the production of construction products, however, the share of large enterprises increases by 14.6%, while the share of medium and small enterprises decreases by 14.5% and 0.1%, respectively (Fig. 3.8).

### **3.3. Taxonomic analysis formation strategic vectors management life support activity enterprises construction industry**

The food industry is one of the leading system-forming branches of the Ukrainian economy. It is directly involved in ensuring the food security of our country, forming its international potential and is able to positively influence the dynamics of economic growth of Ukraine.

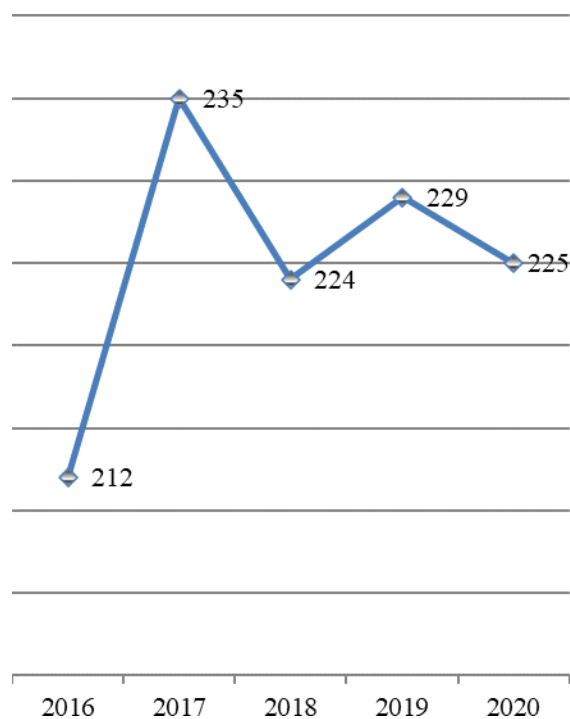
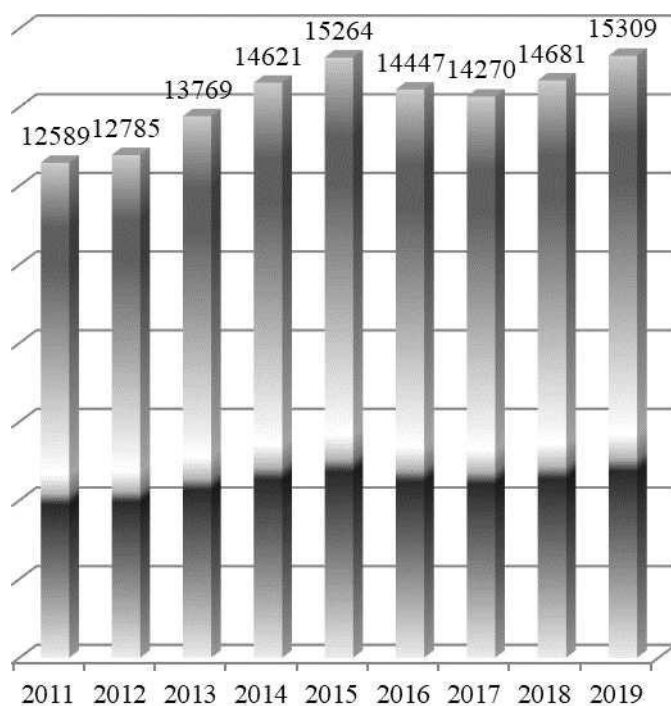
The food industry includes dozens of sub-sectors, the main ones being: sugar, dairy, oil and fat, bakery, confectionery, meat, liquor and vodka, etc.

Therefore, the development of construction industry enterprises is a necessary lever for the creation of a strong country, the population of which should consume high-quality food products, at the same time, the amount of food is also an important element in the formation of the "health of the nation". Unfortunately, today trends in the creation and appearance of new enterprises in the construction industry are regionally not positive (Fig. 4.1-4.2).

There is a slight increase in the number of enterprises, both at the state and regional levels. At the same time, this cannot be attributed to positive trends, since the financial component of activity does not tend to increase (Table 4.1).

The lack of rapid growth in the number of enterprises in the construction industry can be explained by a number of reasons:

- 1) reduction of the raw material base;
- 2) strengthening of domestic competition;
- 3) strengthening of foreign competition (imported goods are cheaper);
- 4) general reduction of the available number of Ukrainian population.



**Rice. 4.1. The number of enterprises of the construction industry of Ukraine, units**

**Rice. 4.2. The number of construction industry enterprises of the Zaporizhzhia region, units**

Note: formed by the author according to [297]

The analysis of the economic activity of enterprises of the construction industry of the Zaporizhzhia region confirms the alarming aspects of the functioning of enterprises in this sphere of the economy. The total amount of profit has a tendency to decrease and the number of enterprises that received a loss in 2020 (33%, which is 5% more than in the previous period of 2019).

Therefore, the enterprises of the industry are gradually losing positions (which are occupied by imported goods), but the activities of such companies are crucial for creating of a "strong" state, therefore, the development and formation of a program to create prerequisites for maintaining existing positions.

Table 4.1

**Financial results of enterprises in the Zaporizhzhia region until taxation according to KVED 10 "Manufacturing of construction products" in 2016–2020**

	Financial result (balance), thousand hryvnias	Enterprises that received profit		Enterprises that received loss	
		financial result, thousand hryvnias	in % to the total number of enterprises	financial result, thousand hryvnias	in % to the total amount enterprises
2016	-33579.4	110535.9	73.8	144115.3	26.2
2017	90355.8	165639.8	71.9	75284.0	28.1
2018	109342.8	158737.4	73.5	49394.6	26.5
2019	156381.1	218019.6	72.5	61638.5	27.5
Abs. deviation 2018/2019	47038.3	59282.2	-	12243.9	-
2020	144774.5	221673.4	66.8	76898.9	33.2
Abs. deviation 2019/2020	-11606.6	3653.8	-	15260.4	-

Note: generated by the author [297]

It is known that the quantitative growth of enterprises in the construction industry is currently impossible (due to the quantitative decrease of the population of Ukraine and the inability of modern companies producing food products to compete with global brands in the absence of the development of an innovative component). Therefore, we suggest that the enterprises of the construction industry, taking into account the influence of the internal and

external environment, form strategic vectors of managing the life support of their activities in order to prevent a crisis state that precedes bankruptcy and the closure of the enterprise in general. And in the context of the importance of the functioning of construction industry enterprises in the regional market to support a strong and healthy population, we propose to define the main indicators that form the life support system of the enterprise and create conditions for the strategic development of the enterprise and the country, in particular. To carry out such an analysis, we propose to take into account the factors of production that most strongly affect the life support of the enterprise, and therefore we will create a comprehensive assessment of the life support of the enterprise, taking into account of factors of production - labor, land, capital, entrepreneurship and information (KOZHDP).

In modern market conditions, managing the life support of the enterprise's activities is one of the important characteristics of the company's management efficiency, which contributes to its further functioning, profitability and development. Acute response, improvement of management and, at the same time, the need to increase the level of efficiency of activity at the enterprise consists not only in the formation of new tasks and principles of management and the expansion of the company's market opportunities, but also in the timely response of top management to the negative impact of external and internal environmental factors on the organization . In the absence of balanced and timely actions regarding the management of the life support of the enterprise, in modern conditions of turbulence and crisis phenomena, the presence of various political and economic problems in the country, the functioning of the enterprise becomes endangered and may "exit" the market. Therefore, the main goal of developing strategic management vectors for the life support of enterprises is, first of all, the rational use of the main factors of production of companies, and secondly, the formation of new concepts of modern management in connection with the development of theoretical, methodological and practical tools of modern management.

The livelihood of the enterprise is closely related to the sources of growth in production volumes. The main causes of production and economic activity

and the conditions under which a product or service is created are called factors of production. They are, in a certain sense, the driving forces of production, a constituent part (formation) of the enterprise's vital activities.

Classics of economics usually distinguish four basic factors of production, which are understood as resources used in the creation of goods or services. Factors of production include:

- work (work);
- land (land resources);
- capital (main financial and economic indicators, volume and qualitative composition of fixed and working capital; mechanisms: taxation, credit-financial, insurance; pricing, production technology, level of state support, labor incentives);
- entrepreneurial ability - entrepreneurship (qualitative characteristics of the manager, charisma of the leader, analysis of production development, evaluation of the effectiveness of the decisions made and their correction).

The functioning of enterprises is supported by a number of factors that activate or, on the contrary, slow down the activity of the enterprise as a whole (Table 4.2).

**Table 4.2**

**Factors that positively affect the viability of the enterprise**

Name	Content
Economical	specialization and concentration; - cooperation, integration of production participants; - organization of work; - material stimulation; - prices and tariffs; - taxes; - insurance; - investment and credit policy; - inflation; - formation of mutually beneficial relationships
Social	- demographic situation; - satisfaction from work; - working conditions; - personnel support; - welfare level; - social infrastructure.
Technical - technological	- logistics; - production, storage and transportation of products; - certification; - compliance with the European quality system and storage conditions
Political	- legislative support for new business ideas; - absence of bureaucratic obstacles; - information availability; - ease of access to tax and legislative business support;

Ecological	<ul style="list-style-type: none"> <li>- eco-management, implementation of international quality standards;</li> <li>- support for safe food products;</li> <li>- reduction of harmful emissions during production;</li> <li>- eco-packaging, transportation and storage of food products;</li> <li>- reduction/rejection of chemical impurities in food production and storage</li> </ul>
Innovative	<ul style="list-style-type: none"> <li>- support of eco-directions in the creation of food products;</li> <li>- implementation and activation of innovative approaches to the creation of food products.</li> </ul>

Note: generated by the author

According to the table 4.1 important and relevant today is the factor that accelerates and activates the activity of construction industry enterprises - innovativeness, this indicator can combine the achievements of science and practice, international experience that will create prerequisites for the production and sale of quality food products, without which it is impossible to create a strong country and a healthy and able-bodied nation.

Modern economic science includes labor, capital, land, entrepreneurial abilities, science, information and ecology as factors of production

The evolutionary development of the classical theory of factors of production is reflected in the works of Zh. B. Sei (theory of the "three factors" of production). The distribution scheme of the product, according to Sey's concept, is as follows: labor, capital and land are considered the main production factors for value creation; each of the three factors of production creates its share of the value of the product, which is distributed in the form of income: hired workers receive wages, capitalists (owners of capital) - interest, landowners - rent, entrepreneurs - entrepreneurial income - for "activity, talent, management" of production . So, income on capital - profit - Sei divided between owners of capital and entrepreneurs (managers of production) into interest and entrepreneurial income. At the same time, the entrepreneur is at the center of the income distribution mechanism [38].

Yermyshyn P.G. gives the following definition of the concept of factors of production:

"Production factors mean especially very important elements or objects that exert a decisive influence on the possibility and effectiveness of economic activity" [39].

In economic science, along with the concept of "factors of production",

such a category as "production resources" is used. They constitute a set of natural, capital and human forces that can potentially be used in the production process. In contrast to resources, factors of production are resources already actually used in the production process. Also, factors of production are called "working resources", that is, elements that already exist "included", are taught in the production process.

In our research, we will use the taxonomy method, which allows us to integrate a significant number of individual coefficients and reveal the dynamics of their changes and influencing factors. The use of taxonomic analysis for the study of economic phenomena was proposed by Plyuta V. [31]. According to Plyuta V., taxonomy (from the Greek *τασσεῖν* - order, arrangement and *νόμος* - law, science) is the science of the rules of arrangement and classification [31, p. 7].

Taxonomy (from Greek *τασσεῖν* - "classification" and Greek *νόμος* - "law", "science") grouping of things or principles underlying this grouping. Taxonomy is a synonym of "systematics", "classification". So, the taxonomy allows you to combine the constituent elements into a single whole, to choose the necessary system of characteristics that can be used to identify and structure information in order to facilitate its search, monitoring and processing by the user. The specified system of data (codes, elements) enumerates and defines specific indicators that can be used to identify information, helps the user find the right element. Taxonomy is the science of the rules of landscaping and classifications. Initially, this concept was used only to define science, classification of plants and animals [311].

Taxonomic analysis of the life support of the enterprise (taking into account the production factor "capital", Kzhkapital) is, first of all, a steady growth of the amount of the enterprise's own funds, as well as gross revenue and gross profit, a high level of profitability and liquidity, ensuring an acceptable norm of dependence on creditors.

$$K_{\text{capital}} = \sum K_1 + K_2 + K_3 + \dots K_n, \quad (4.1)$$

where  $K_{zh_{\text{capital}}}$  is the taxonomic coefficient of the enterprise's life support, taking into account the influence of the production factor "Capital".

$K_1$  – production cost, UAH

thousand;  $K_1$  – equity capital;

$K_3$  – net profit;

$K_4$  – profitability of assets;

$K_5$  – coefficient of autonomy (financial independence);  $K_6$  – asset mobility coefficient;

$K_7$  – coefficient of permanence

of assets;  $K_8$  – stability

coefficient;

$K_9$  is the ratio of provision of current assets.

The content of the taxonomic coefficient of the enterprise's life support, taking into account the influence of the production factor "Capital" is given in the table. 4.3.

**Table 4.3**

**Taxonomic analysis of the enterprise taking into account the influence of the factor produced by "Capital"**

	Indicators	Calculation of grandchildren	Content	Norm
1	2	3	4	5
1	Cost of production	year 2050	expressed in monetary terms, costs related to the preparation, organization, production and sale of products (execution of works, provision of services).	↓
2	Own capital	year 1495	financial resources invested in the organization and financing of economic activity	↑
K3	Net profit	year 2350	the main indicator of the enterprise's activity	↑

K4	Profitability assets	table 3	the calculation shows the percentage of profit obtained from each hryvnia spent and the profitability of the enterprise, determines the level of profitability of the company in the considered period	↑
K5	Coefficient autonomy (financial independence)	year 1495 / year 1900	characterizes the share of equity in the total amount of capital advanced in enterprise activity:	Critical value coefficient - 0.5
K6	Coefficient asset mobility	year 1195 / r. 1300	is calculated as the turnover ratio assets to the total assets of the enterprise (or unit minus coefficient constancy)	>60% - assets mobile
K7	Coefficient of permanence of assets	year 1095/year r .1300	is calculated as relation non-current assets to the total assets of the enterprise.	>40% - heavy asset structure
K8	Stability coefficient		is defined as the ratio of equity capital to loan capital	>1

1	2	3	4	5
K9	Current asset coverage ratio	(1595 + 1095 + 1495) / 1195	is defined as the ratio of own working capital to the current assets of the enterprise	at least 10% of current assets must be financed from equity

Note: generated by the author

Profitability shows how effectively certain resources are used by the object in the production process, while showing how much net profit (in relative terms) is obtained when using one unit of resources.

One of the most important indicators, without which you cannot get a complete picture, is the profitability of assets, i.e. the company's property. It represents the ratio of the share of profit remaining in the enterprise to the average value of assets and is determined by the formula:

$$Ra = Pch/A * 100, \quad (4.2)$$

where PC - net profit,

A - cost of assets.

The calculation shows the percentage of profit obtained from each hryvnia spent and the profitability of the enterprise, determines the level of profitability of the company in the considered period. You can see the calculation algorithm more clearly in the proposed table.

For a detailed analysis, we will conduct a taxonomic analysis of the production factor "capital" for the enterprise "Bud-Lux" LLC (Zaporizhia) (Table 4.4).

Positive values in the company's activity can be characterized by the high quality of products and the overall result - the consumption of food products has increased, the consequences - the pandemic of COVID-19, at the same time, a decrease in the purchasing power of the population, a general decrease in the number of the population of the Zaporizhzhia region (attrition of personnel and constant population migrations). forces the enterprise to search for new sales markets, new quality at a low price. Indicated advantages will provide be able to keep level profitability and profitability of the enterprise and remain competitive.

**Table 4.4**

**Indicators for the implementation of the KOJHDP of "Bud-Lux" LLC,  
taking into account the impact  
factor of production "Capital" (KOZHDPK)**

	Indicators	2018	2019	2020
K1	Cost of production, thousand hryvnias	12012	14179	13753
K2	Own capital	1416	3436	2667
K3	Net profit	12167.4	1950.6	769.8
K4	Return on assets	17.1	8,9	23.7
K5	Coefficient of autonomy (financial independence)	0.19	0.40	0.32
K6	Asset mobility ratio	1.11	0.94	0.70
K7	Coefficient of permanence of assets	0.53	0.49	0.41
K8	Stability coefficient	0	0.66	0.49
K9	Current asset coverage ratio	2.77	2.88	2.40

Note: author's calculation [304-305]

After determining the initial data, we will build a matrix of observations:

12012	1416	12167.4	17.1	0.19	1.11	0.53	0	2.77	12012
14179	3436	1950.6	8,9	0.4	0.94	0.49	0.66	2.88	14179
13753	2667	769.8	23.7	0.32	0.7	0.41	0.49	2.4	13753

Next, we standardize the values of the elements of the observation matrix.

To do this, we determine the average value for each indicator:  $\bar{J}_1 = 13314.67$ ;  $\bar{J}_2 = 2506.33$ ;  $\bar{J}_3 = 4962.60$ ;  $\bar{J}_4 = 16.57$ ;  $\bar{J}_5 = 0.30$ ;  $\bar{J}_6 = 0.92$ ;  $\bar{J}_7 = 0.48$ ;  $\bar{J}_8 = 0.38$ ;  $\bar{J}_9 = 2.68$ .

We standardize the indicators according to formula (4.3):

$$Z_{ij} = \frac{X_{ij} - \bar{X}_i}{s_i} \quad (4.3)$$

The standardized matrix will look like this:

Z	0.90	0.56	2.45	1.03	0.63	1.21	1.11	0.00	1.03	0.90
	1.06	1.37	0.39	0.54	1.32	1.03	1.03	1.72	1.07	1.06
	1.03	1.06	0.16	1.43	1.05	0.76	0.86	1.28	0.89	1.03

For further construction of the reference vector. The basis of this distribution is the characteristic influence of each of the indicators on the level of development of the object being studied. Signs that have a positive effect (stimulation) on the general level of development of the object are called stimulators, signs that have a negative effect are called destimulators. In the case when the indicator is a stimulator, for the reference vector it is necessary to select the maximum value (use the Excel function MAX) of this indicator, for where stimulators, on the contrary, it is the smallest. Thus, the reference vector will have the following coordinates:

Z	0.90	0.56	<b>2.45</b>	1.03	0.63	<b>1.21</b>	<b>1.11</b>	0.00	1.03
	<b>1.06</b>	<b>1.37</b>	0.39	0.54	<b>1.32</b>	1.03	1.03	<b>1.72</b>	<b>1.07</b>
	1.03	1.06	0.16	<b>1.43</b>	1.05	0.76	0.86	1.28	0.89
<b>max</b>	<b>1.06</b>	<b>1.37</b>	<b>2.45</b>	<b>1.43</b>	<b>1.32</b>	<b>1.21</b>	<b>1.11</b>	<b>1.72</b>	<b>1.07</b>

$$Po = (1.06; 1.37; 2.45; 1.43; 1.32; 1.21; 1.11; 1.72; 1.07)$$

The next stage of determining the indicator of the taxonomic level of development is the determination of the distances between individual observations (periods) and the reference vector. The distance between the unit point and the Po point is calculated by the formula:

$$S_{io} = \sqrt{\sum (Z_{ij} - Z_{oi})^2} \quad (4.4)$$

Substituting the data into formula (4.4), we get the result by year:

$$C_{2018} = 3.985.$$

$$C_{2019} = 5.145.$$

$$C_{2020} = 5.862.$$

The obtained distances serve as a starting point for calculating the indicator of the level of life support of the enterprise. We determine the taxonomic indicator of the coefficient for assessing the life support of the enterprise at the expense of production factors according to the formula:

$$K = 1 - d_i. \quad (4.5)$$

But to calculate it, you need to find a few more indicators:

$$C_o = C_o + 2 * S_o \quad (4.6)$$

$$\bar{C}_o = \frac{1}{m} * \sum C_{io} \quad (4.7)$$

$$S_o = \sqrt{\frac{1}{m} * \sum (C_{io} - \bar{C}_o)^2} \quad (4.8)$$

$$d_i = \frac{C_{io}}{C_o} \quad (4.9)$$

So, using the given formulas, we will calculate them:

$$\bar{C}_o = \frac{1}{3} * (3.985 + 5.148 + 5.862) = \frac{1}{3} * 14.99 = 4.998.$$

$$S_o = \sqrt{\frac{1}{3} * ((3,985 - 4.998)^2 + (5,148 - 4.998)^2 + (8,862 - 4.998)^2)} =$$

3.88.

$$C_o = 2.24 + 2 * 0.176 = 12.76.$$

$$d_{2018} = \frac{3,985}{12,76} = 0.312;$$

$$d_{2019} = \frac{5,148}{12,76} = 0.403;$$

$$d_{2020} = \frac{8,862}{12,76} = 0.074.$$

Thus, the taxonomic indicator (coefficient) for KOZHDPK is 2018-2020 for Bud-Lux LLC is equal to:

$$K_{2018} = 1 - 0.312 = 0.688.$$

$$K_{2019} = 1 - 0.403 = 0.567.$$

$$K_{2020} = 1 - 0.074 = 0.926.$$

The analysis of these indicators indicates an increase in the life support indicator of the activity in the context of the use of capital, which is confirmed by the economic analysis of financial indicators. Therefore, KLZHDP, taking into account one factor of production, does not provide a complete understanding of the company's financial condition today and the choice of development vectors.

Further research is related to the analysis of the next factor of production, namely: "people", or for the realities of the functioning of modern enterprises, we will characterize this indicator as "personnel".

Personnel is the most important resource of any organization. They create new products, accumulate and use financial resources, sometimes are "carriers" of innovative ideas, control quality, that is, they create the entire production process. Personnel (people working at the enterprise) are capable of continuous improvement and development. Their capacity and initiative are limitless, while other resources and factors of production are limited.

V. R. Vesnyn determines that the staff can be considered as the main staff of the enterprise, with the exception of management, who perform various production and economic functions [31]. In order to understand which specialist is needed at the enterprise, a personnel assessment is carried out. Personnel evaluation is a balanced, purposeful process in the system of effective management, which is aimed at finding and evaluating the relevant knowledge, skills, practical skills and other quality characteristics of the company's personnel for the requirements of the position or workplace. Personnel evaluation involves the comparison of certain characteristics of a person - professional qualification level, business qualities, work results - with the corresponding requirements, benchmarks. The employee must meet the requirements imposed on him by his job duties, the content and nature of work and the culture of the enterprise as a whole. Not only the potential opportunities of employees, their professional level, competence, but also the ability to realize these opportunities in the process of fulfilling assigned duties are subject to assessment [31].

Ovcharenko G. and Golovko V. believe that "personnel evaluation is one of the most important components of the company's personnel management system, as it is closely related to all its processes, affects the effectiveness of employees' activities and the effectiveness of functioning and development as a whole" [31].

Didur K. M. "Evaluation of personnel is a procedure carried out with the aim of identifying the degree of compliance of the professional, business and personal qualities of the employee, quantitative and qualitative results of his labor activity with the specified requirements" [31].

Balabanova L.V. "Evaluation of personnel is a purposeful process of establishing the compliance of qualitative characteristics of personnel (abilities, properties) with the requirements of the position or workplace" [31].

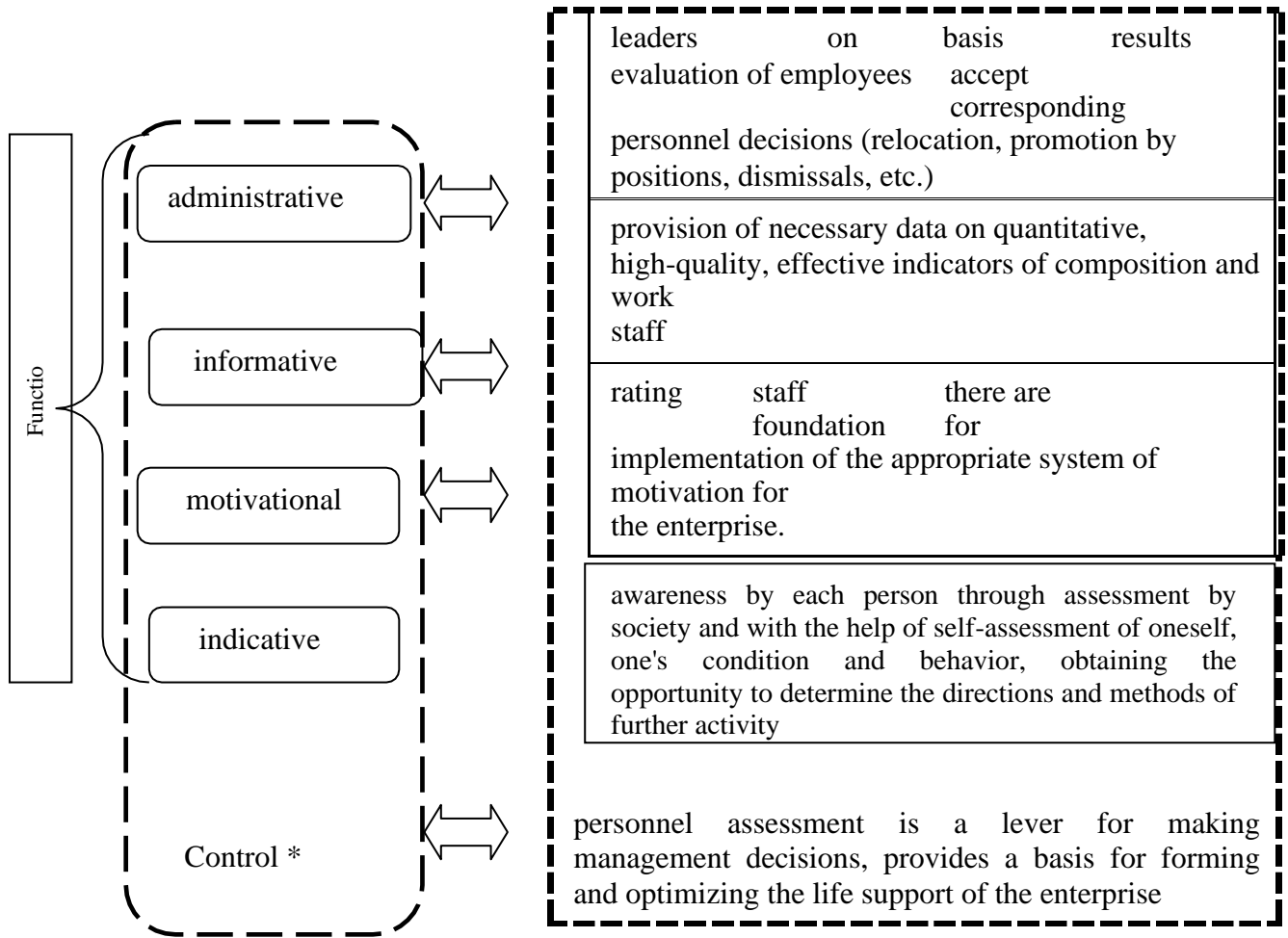
A. M. Kolot "Evaluation of personnel consists in determining the extent to which each employee achieves the expected results of work and meets the requirements arising from his production tasks" [31].

Personnel evaluation is a procedure carried out with the aim of identifying the degree of compliance of the professional, business and personal qualities of the employee, the quantitative and qualitative results of his labor activity with the specified requirements [31].

The existing problem of insufficient attention on the part of the heads of organizations to the personnel evaluation procedure leads to the emergence of many other problems, where the functions of employees are performed at an inappropriate level. According to Didur K., "the lack of complexity and an eclectic approach, when the evaluation results are obtained with the help of a conglomerate of unrelated evaluation methods, are still characteristic of the domestic practice of personnel evaluation; lack of systematicity and regularity in the application of assessment procedures" [39, p. 7].

Experts believe that personnel evaluation plays a number of important functions. So, management guru McGregor D. singled out three main functions: administrative, informative and motivational.

Note that in addition to the main functions of personnel evaluation, it will be appropriate to add a control function, which aims to provide the top management of the enterprise with answers to questions regarding management aspects (Fig. 4.3).



Rice. 4.3. Personnel evaluation functions

Note: \*added by the author [39, 32]

Personnel evaluation can fully fulfill various principles, namely: objectivity, openness, efficiency, democracy, unity of evaluation requirements, simplicity, effectiveness.

Table 4.5

**Basic principles of personnel evaluation**

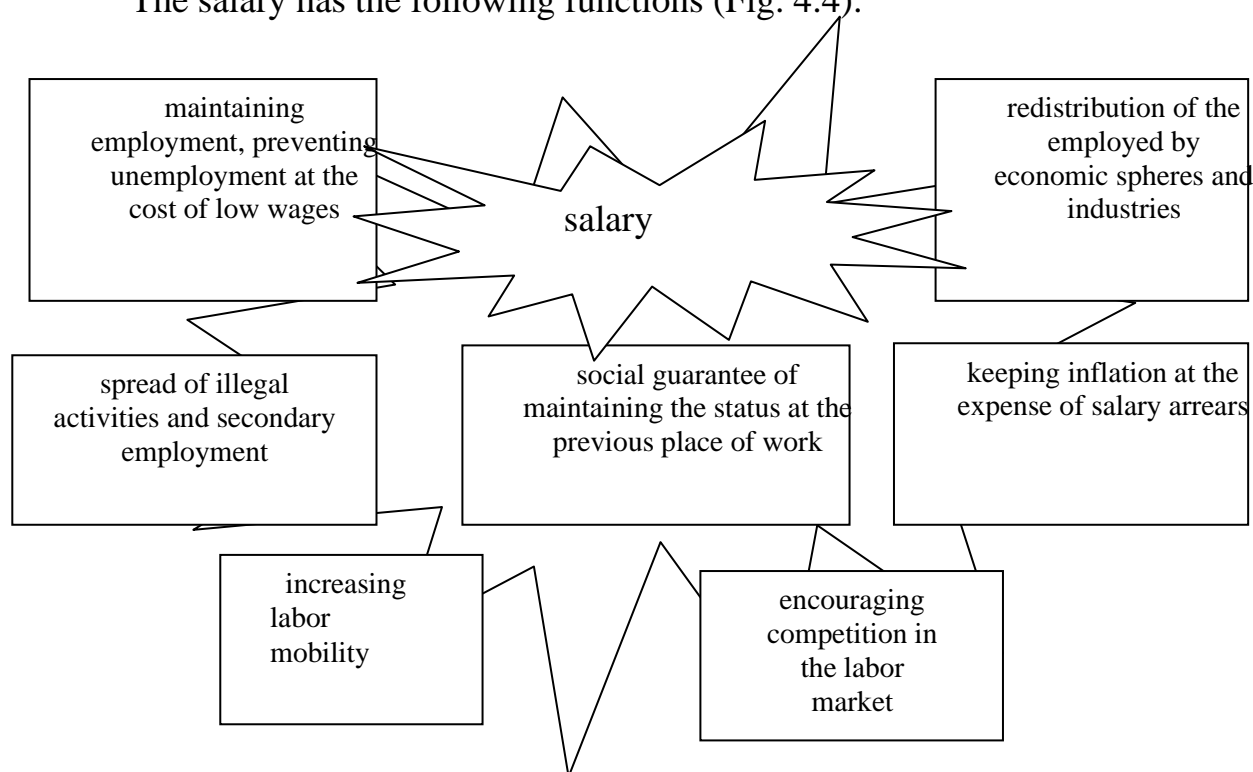
Principle	Content
objectivity	the use of a reliable information base and a complete system of indicators to characterize the employee, his activities, behavior, taking into account period of work and dynamics of results during this period
publicity	comprehensive familiarization of employees with the procedure and methodology assessment, bringing its results to all interested persons through the press, orders, orders
efficiency	timeliness and speed of assessment, regularity of its conduct
democracy	participation of team members in the assessment of colleagues and subordinates
unity of assessment requirements	for all persons of the same position
simplicity	clarity and accessibility of the evaluation procedure, obligation, generality (everyone is evaluated)
effectiveness	mandatory and prompt adoption of appropriate measures based on the results of the assessment

Note: formed by the author based on [32]

Personnel cost management in the personnel management system is a set of consistent and continuous management actions directly related to the costs arising in the process of functioning of personnel management subsystems, the purpose of which is to ensure the efficiency of the enterprise [32]. Therefore, the issue of remuneration is the main factor that stimulates personnel to work. Almost 70% of the costs of US enterprises are directed to the wages of employees, and in Ukraine - 40-50% [321].

Considering the fact that the personnel of the enterprise is its main resource [21], and effective management of personnel policy is the key to its successful development and the main way to increase the efficiency of economic activity, a detailed comprehensive analysis of the personnel management system is necessary. In this regard, the analysis of the effectiveness of the company's personnel policy should be carried out using a systematic approach, which involves observing a clear algorithm for the analysis of groups of relevant indicators. The analyzed indicators should have a causal effect on the effectiveness of the company's personnel management [31; 37].

The salary has the following functions (Fig. 4.4):

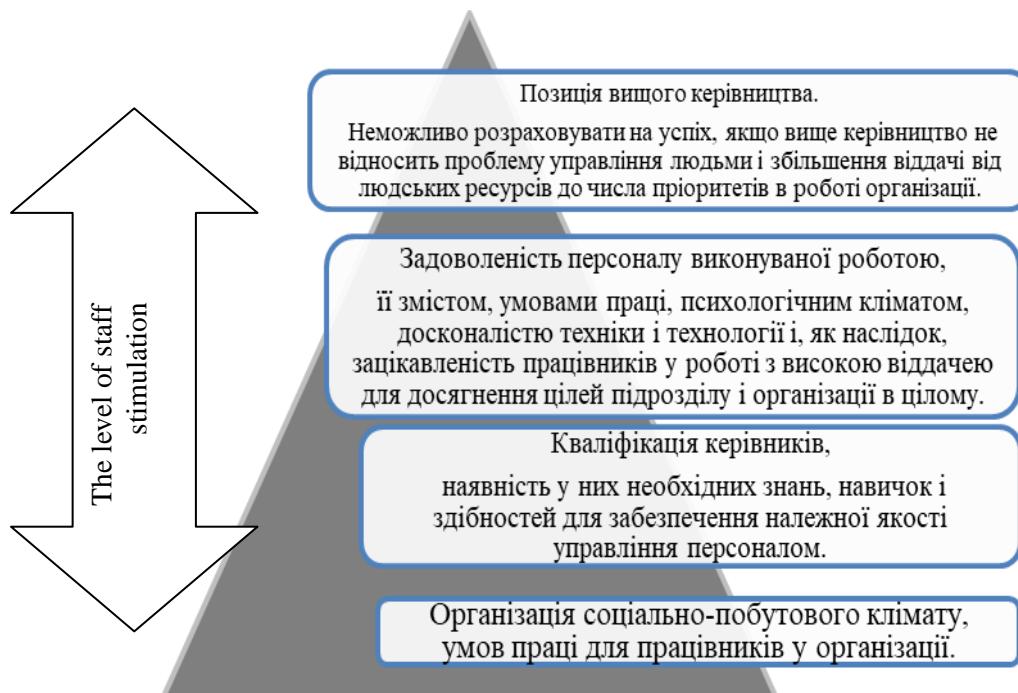


**Rice. 4.4. Salary functions**

Note: formed by the author based on [22; 23; 24]

Thus, in the opinion of N.L. Gavkalova, the effectiveness of personnel management consists in ensuring the mutual coordination of the interests of managers and subordinates in the process of achieving the company's goals, and its evaluation should be carried out using an integral criterion that reflects the results of personnel activities (economic efficiency), the peculiarities of the interaction of employees in collectives (social efficiency), processes of formation and use of intellectual capital (effectiveness of intellectualization of labor), activation of research and innovation-investment activity (innovation-investment efficiency), effectiveness of organizational management (organizational efficiency) [25].

An effective process of personnel management to ensure the vital activity of the enterprise involves a certain list of conditions (Fig. 4.5).



**Rice. 4.5. Conditions of effective personnel management**

Note: formed by the author based on [24; 26]

The generator of innovative ideas at the enterprise is the staff, the only one of all factors of production that has a creative component. In this regard, the ability of the company's management to promote the disclosure of the creative abilities of employees, in particular by effectively motivating their activities, is important. On the other hand

on the other hand, the motivation of employees should also contribute to the rapid implementation of the provided innovative proposals at the enterprise. That is, motivation should involve the use of certain incentives by the management, which would, on the one hand, encourage employees to submit innovative proposals, and on the other hand, to their rapid implementation.

One of the most important incentives is a reward, which can be both monetary (material) and non-monetary (intangible). At the same time, the main role in stimulation belongs to the monetary reward, the main types of which are: wages, bonuses, various types of extra payments and allowances, dividends on shares, profit sharing and income sharing [26]. Having the main characteristics of employee benefits, they can be defined as follows: employee benefits are all forms of current and future compensation and additional benefits that are provided by the economic entity independently or through a third party to the employee and his family members in accordance with legislation and internal practice in exchange for current, past and future services in connection with the fact of past or current labor relations [26]. Wages have a leading role in the material motivation of the labor activity of employees of domestic enterprises, as it determines the possibilities of full reproduction of the workforce. In the modern conditions of innovative development of the economy, high demands are placed on employees of enterprises, new approaches to remuneration are emerging. Drucker P. emphasized:

"Satisfaction with monetary reward can motivate only in combination with other factors that force personnel to take responsibility" [27].

Note that the analysis of table 4.6 shows that non-material rewards are most developed among employees of construction industry enterprises (the number of "+" is more), at the same time, the analysis of the staff's answers shows that people are interested in material rewards, and material (main, additional remuneration) is the main incentive for effective work staff

**Table 4.6**

**Traditional and non-traditional methods of stimulating and motivating  
personnel at construction industry enterprises**

Material stimulation		Intangible incentives	
1. Basic salary: awards, allowances, bonuses, coefficients;	++ +- +- --	1. provision of flexible forms of employment to the employee (if desired and necessary); – provision during working hours (at the employee's request) of opportunities to resolve issues related to personal interests;	+- ++
2. Organization of food and subsidies for food;	+-	2. providing assistance in solving the issue of placing employees' children in kindergartens;	--
3. Payment of sanatorium treatment employees;	+-	3. ensuring professional development and personal career growth;	++
4. Participation of employees in profits; – participation employees in shareholder capital;	-- --	4. creation of a favorable psychological environment in the team, trusting social and labor relations between the employer and the employee;	++ ++
– discounts on acquisition products enterprises;	+-	5. giving employees (depending on the position and level of competence) the right to make decisions independently, including the ability to personally manage the production process, etc.	+-
– granting medical services, partial compensation for their cost;	--		
– organization teaching and increase qualifications of employees;	+-		
– granting help in acquisition housing employee;	--		
- payment of transport costs to the place rest and treatment;	+-		
- provision of official transport	--		

Note: modified by the author based on [28; 29]

++ full satisfaction;

+- partial satisfaction;

-- there is no stimulating factor.

The rule of effective motivation: the reward must be clearly related to the quality and result of the employee's work; the remuneration should not be less than that of competitors; show the difference between good employees and not so good ones. The purpose of incentives for top management is to interest the employee to work better, more productively than is stipulated by labor relations. For this, traditional and non-traditional methods of stimulating and motivating personnel are used.

Denysenko M. P. Increasing the human capital index is an important component of the innovative personnel policy of enterprises [33].

It should be noted that the practical manifestation of staff stimulation at enterprises of the construction industry is most evident, in our opinion

the employees themselves, in payment of the basic salary; providing during working hours (at the employee's request) the opportunity to resolve issues related to personal interests; creation of a favorable psychological environment in the team, trusting social labor relations between the employer and the employee. The indicated indicators will be taken into account in the further analysis of the formation of the enterprise's life support strategy.

Therefore, the most effective tool to "make" staff work is wages.

Employee monetary reward is one of the most effective and widespread methods of motivating staff. However, let's pay attention to the fact that monetary incentives are effective if the employee considers the salary to be fair and worthy of his work. In this case, the employee must understand that the physical and mental energy spent by him, as well as the final result obtained, are directly related to the monetary reward. However, at present, taking into account the specifics of the activities of many enterprises and organizations, a situation often arises when it is difficult for the employer to objectively assess the efficiency and volume of work of many employees due to the lack of direct assessment. This leads to a lack of differentiation in pay and is the cause of dissatisfaction with pay, which leads to a decrease in productivity. Let us emphasize that wages are always an important part of the system of payment and labor incentives, and also act as one of the most effective tools for influencing the labor efficiency of the company's personnel [31].

Each enterprise is characterized by a certain level of labor productivity, which can increase or decrease under the influence of various factors. An indisputable condition for the progress and development of production is the increase in labor productivity. Growth consists in the fact that the share of costs of past labor increases, but so that the total amount of labor in each unit of the product decreases. According to the classical theory, wage growth and labor productivity should grow synchronously [22].

In general, productivity is defined as the ratio of the volume of products produced to labor costs, in other words, the ratio of results to resource costs. It shows the average output of each unit of labor employed in production. In other words, the increase in labor productivity allows us to estimate the increase in the volume (or value) of products produced per worker. Calculations of the aggregate productivity indicator are generally based on the premise that production productivity depends on the cost of capital, labor and other factors (the impact on production of scientific achievements, improvement of the management system and organization of production and other factors of technical progress). The indicator of labor productivity is more often used to analyze the efficiency of production due to the simplicity of its calculation[33].

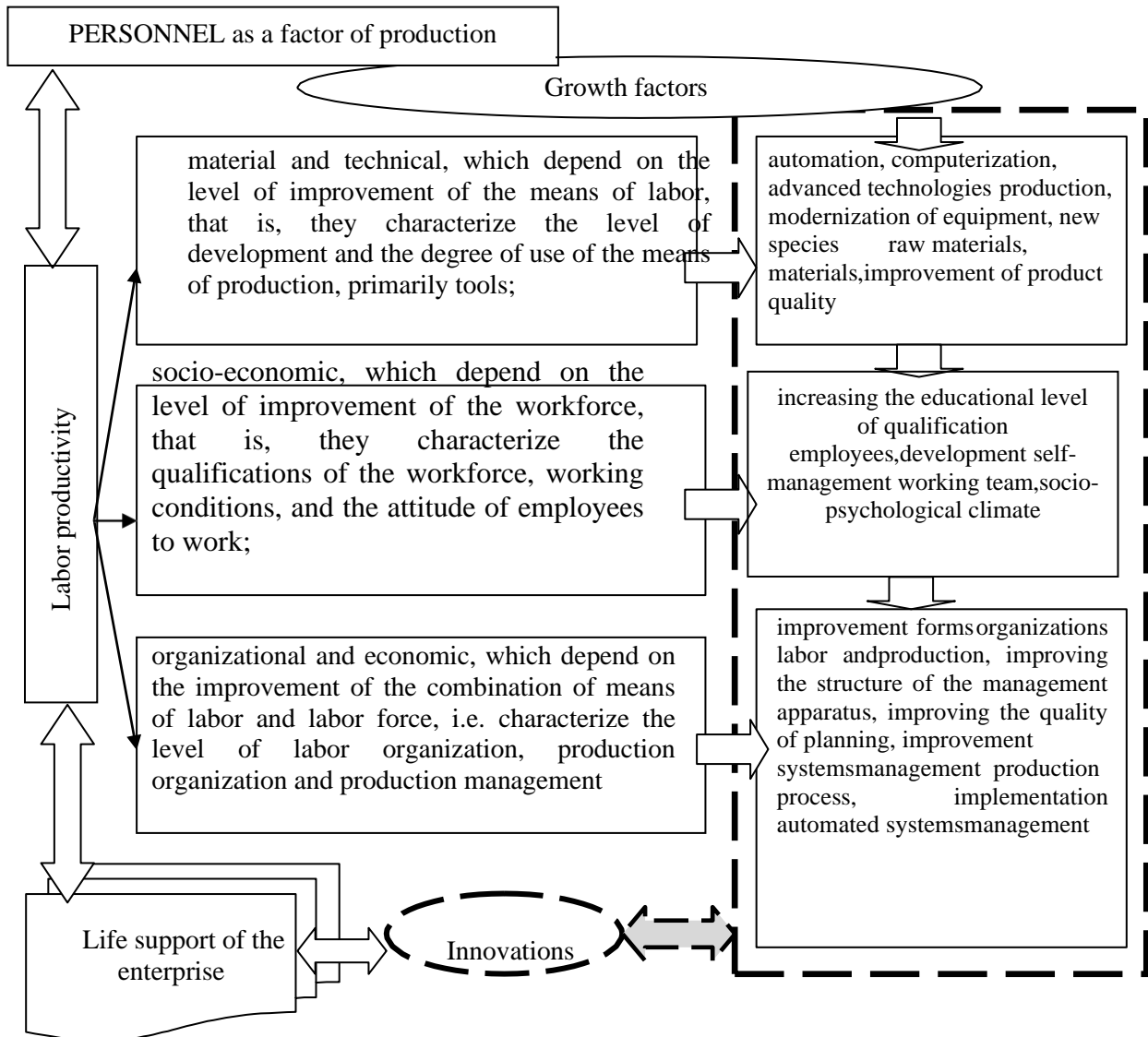
Labor productivity is the ratio of the number of products produced by a given system in a given period of time to the number of resources consumed to create these products in the same period of time [34]. S. V. Mocherny interprets labor productivity as "the efficiency of people's production activities in the process of creating material goods and services" [35].

The level of labor productivity is influenced by various factors, which can be combined in fig. 4.6.

Cherep A. V. believes that the decrease in the cost of production is ensured primarily by increasing labor productivity, because with its growth, labor costs per unit of production decrease, therefore, the specific weight of wages in the cost structure decreases [36].

Therefore, the increase in labor productivity leads to a decrease in the cost price, corresponding to a decrease in costs and an increase in profit. The principle of the existence of the enterprise is always aimed at the formation of such a volume of resources, which will enable it to freely fight against the threats of the external environment, as well as to effectively use all the strengths to form a sustainable level of the enterprise's livelihood. For this, you need to clearly know the structure and number of personnel with whom we will be

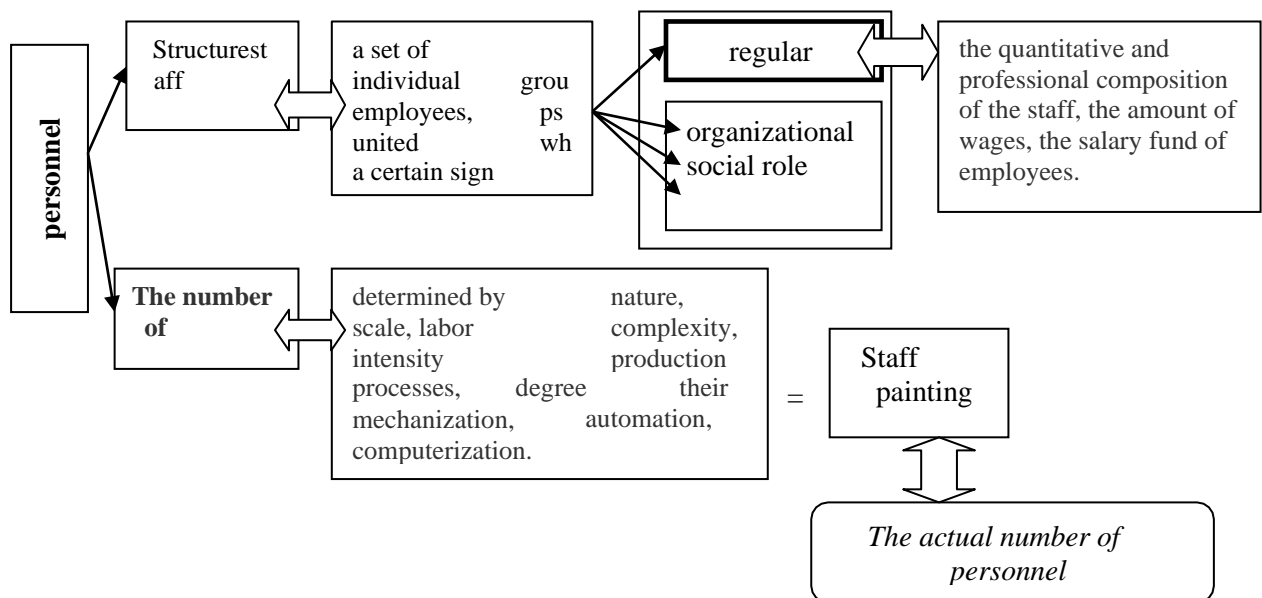
work in the future. Today, one of the characteristics of the company's staffing is its structure and number.



**Rice. 4.6. Labor productivity of personnel as an element of management life support of the enterprise**

According to fig. 4.7 personnel structure is a collection of separate groups of employees who are united by a certain feature, it can be: regular, organizational, social, functional and role. Most often, to analyze the efficiency of work, enterprises use a staff structure that reflects the quantitative and professional composition of the staff, the amount of wages and the salary fund of employees. The last indicators have the greatest impact on

stimulation of personnel, from the intensification of whose activities new products and technologies are created, the innovativeness of the enterprise is intensified. At the same time, the quantitative composition of personnel plays an important role in creating conditions for the enterprise's life support. Physically tired staff, whose quantity may not be sufficient at the enterprise, will cause a significant number of threats to functioning - inattention, increase in injuries at the enterprise, low quality of manufactured products. Therefore, in order to create conditions and advantages between competitors, the enterprise needs to achieve such a level of life support that there is a balance between the structure and the number of personnel.



**Rice. 4.7. Basic elements of taxonomic analysis (staff)**

The satisfaction indicator demonstrates the attitude of the company's employees to the conditions, factors and principles of the social and psychological climate, which are created due to the fruitful cooperation of the staff and management. Due to the creation of quality conditions, a long-term effect is also obtained.

According to the questionnaire, the highest rating was given to such categories as a friendly atmosphere in the team, respect for the manager, "brand leader", technical equipment of the workplace (latest technologies), opportunity

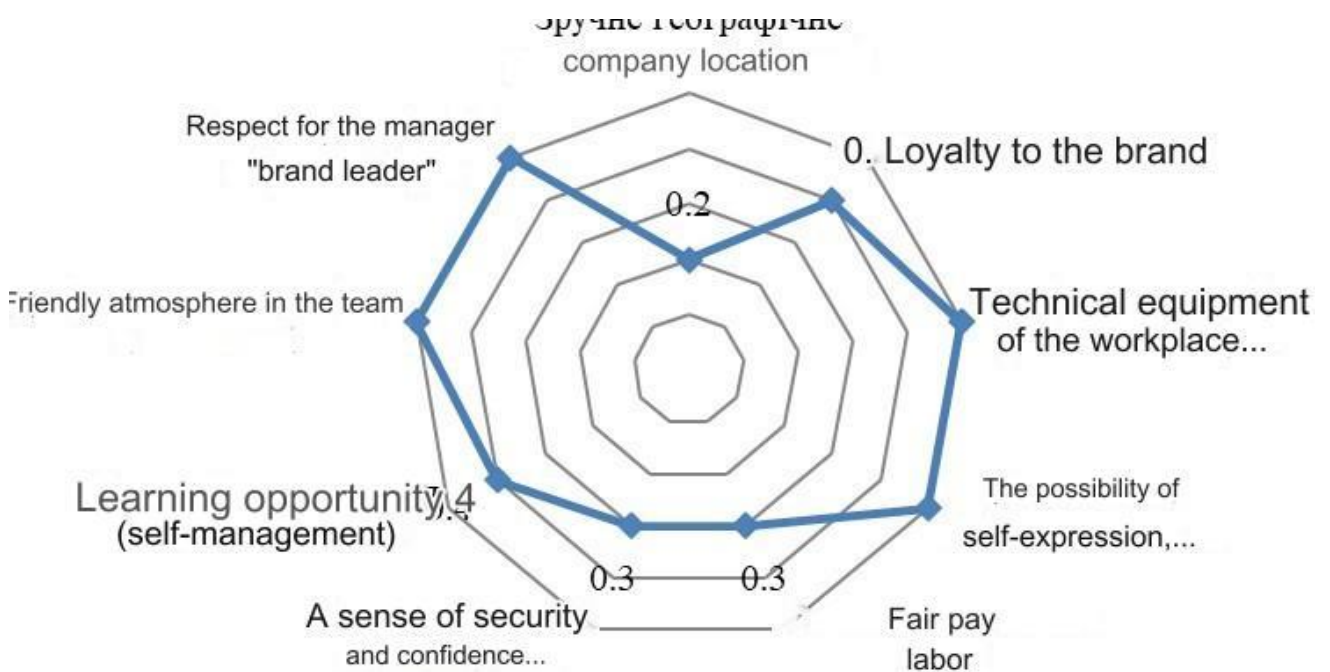
self-expression, initiative support (0.5), the worst position is occupied, according to the staff, by the convenient geographical location of the company (0.2). This direction needs to be worked on in the future (Table 4.7, Fig. 4.8). At the same time, we note that most of the answers regarding the company's environment have a high, positive rating.

Table 4.7

Staff survey of "Bud-Lux" LLC

Main characteristics		Mark					
		1	2	3	4	5	
Convenient geographical location	0.1		+				0.2
Brand loyalty	0.1				+		0.4
Technical equipment of the workplace (latest technologies)	0.1					+	0.5
The possibility of self-expression, support of the initiative	0.1					+	0.5
Fair wages	0.1			+			0.3
Feeling security and confidence employees intomorrow	0.1			+			0.3
Ability to learn (self-management)	0.1				+		0.4
Friendly atmosphere in the team	0.1					+	0.5
Respect for the manager "brand leader"	0.1					+	0.5
General indicator of staff loyalty							3.2

Note: the survey of the personnel of construction industry enterprises of the Zaporizhzhia region was conducted using a questionnaire created in a Google form



Rice. 4.8. Level of staff loyalty

Rating factor production "Personnel" includes indicators, What defined in the table 4.8.

**Table 4.8**

**Indicators for the implementation of the KOJHDP of "Bud-Lux" LLC,  
taking into account the impact of the factor of production "Personnel"  
(KOZHDPP)**

	Indicators	2018	2019	2020
P1	Indicator of staff stimulation, hryvnias	502536	517697	538203
P2	Number of personnel, persons	92	93	85
P3	Average annual number of management staff, persons	10	11	11
P4	Cost-effectiveness of personnel use	0.1377	0.2097	0.906
P5	Specific weight of s/n management personnel in the general wage fund	0.10	0.12	0.13
P6	Specific weight of personnel education	0.24	0.24	0.24
P7	Level of staff loyalty	3.10	3.10	3.20

Note: created by the author based on data [304-305]

After determining the initial data, we will build a matrix of observations.

the standardized matrix will look like this:

Z	0.97	1.02	0.94	0.94	0.86	0.97	0.99
	1.00	<b>1.03</b>	<b>1.03</b>	<b>1.44</b>	1.03	<b>0.97</b>	0.99
	<b>1.04</b>	0.94	1.03	0.62	<b>1.11</b>	0.00	<b>1.02</b>

Po = (1.04; 1.03; 1.03; 1.44; 1.11; 0.97; 1.02).

After the taxonomic analysis of the КОЖДПІІ using the Excel program for 2018-2020, the following results were obtained for Bud-Lux LLC:

КОЖДПІІ 2018 = 1 – 0.773 = 0.707;

КОЖДПІІ 2019 = 1 – 0.879 = 0.949;

КОЖДПІІ<sub>2020</sub> = 1 – 0.938 = 0.344.

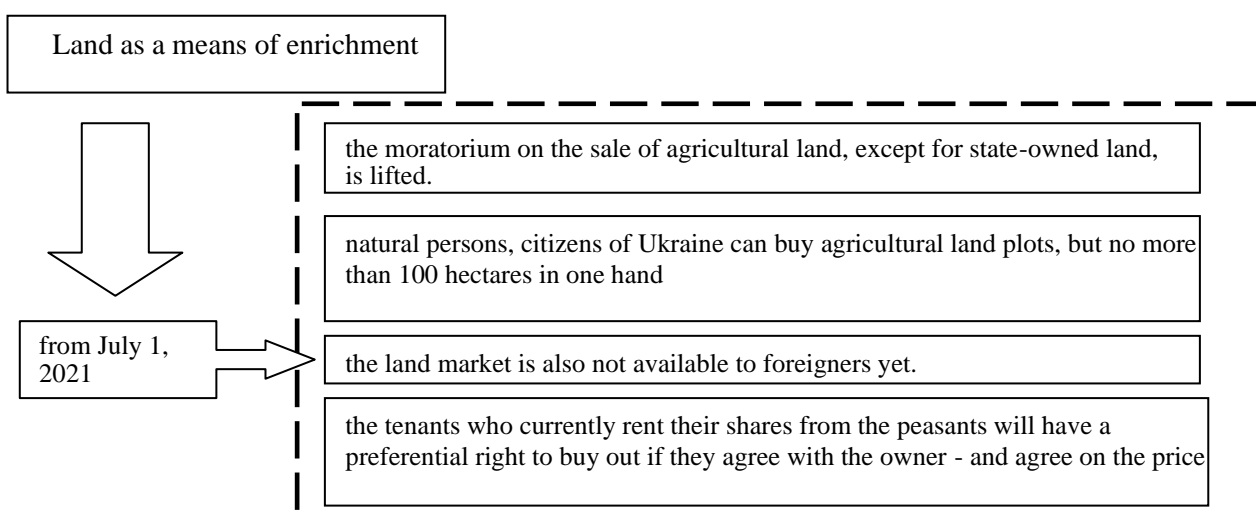
The production factor land is primary and basic for the formation of strategic management vectors for the life support of the enterprise.

Land, as a factor of production, unites all types of natural resources, the entire set of natural phenomena or objects that are used by people to create material and immaterial goods, to reproduce the population, support the conditions of human existence, and improve the quality of life.

"Land" is the location of production facilities and administrative buildings, and in the country's agricultural sector, "land" is something without which the very essence of the industry as such is lost; it is the main productive force of production [337].

Accordingly, each sphere of the economy has a clear dependence on the land as a production resource, on which all means and tools of work are located, without the use of which no production will be able to achieve its goals [38; 39]. For the valuation of land in Ukraine as a factor of production, consider the existing draft law on the price of land in the country. Tretyak A.M. considered land resources as one of the most important components of the natural environment, which are used for the production of material goods. Land resources, in his opinion, are irreplaceable national wealth. A person without land cannot create, because it is the material on which and with the help of which products are created by labor - the results of his activity [40].

Since the conditions for the formation of the market (sale) of land have only started in 2021 (Fig. 4.9), to determine how much land is worth, the location of the enterprise, we suggest considering land as a factor of production through fixed assets, as a resource without which it is impossible to create new goods and services.



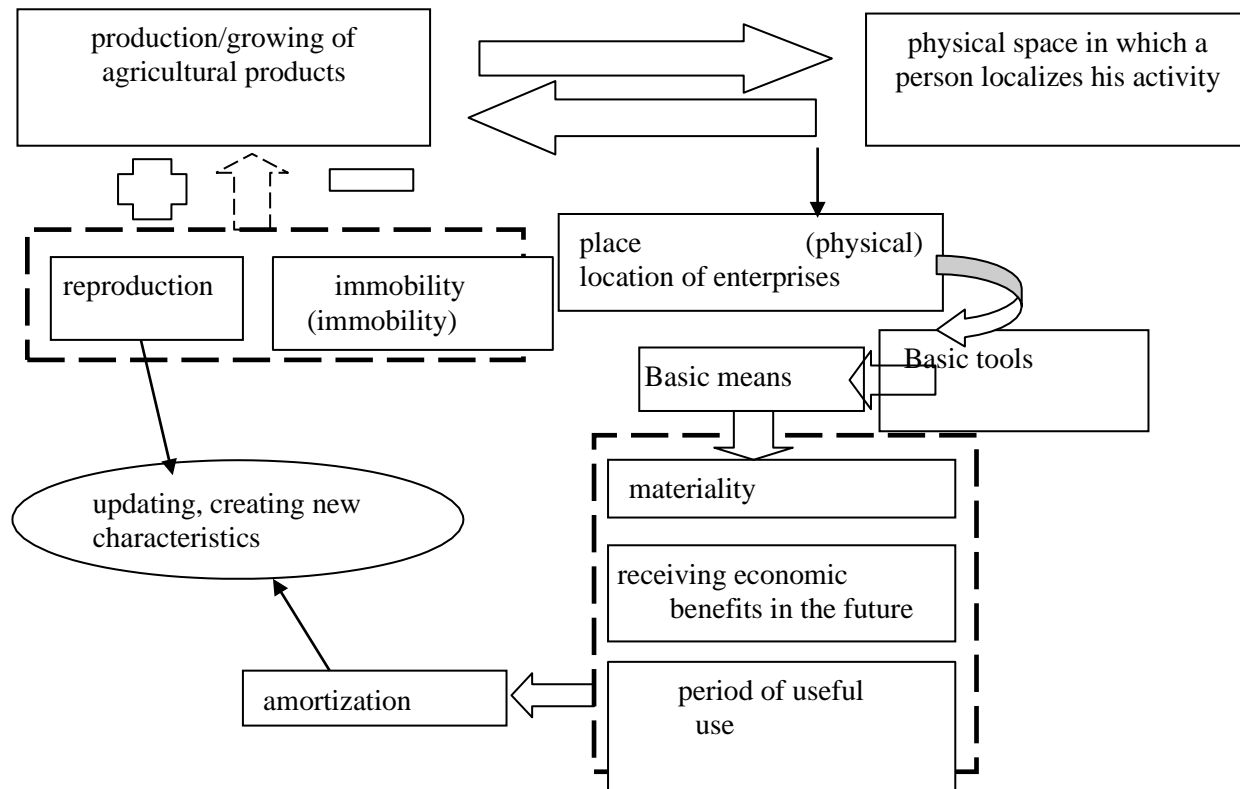
**Rice. 4.9. Land as a means of enrichment (new conditions from 2021)**

Note: constructed by the author according to [39]

It is impossible not to agree with the opinion that the land market in Ukraine is at the stage of formation, and therefore it is quite difficult to assert its functioning.

A. Tretyaka [39], in its pure form, land is not capable of producing products. In order to create products and services, a certain list of components is necessary, which together can create conditions for the life support of the enterprise. So, to study the production factor of land, we consider it from the point of view of the place where the main tools of labor are located. Work tools - all things with the help of which a person acts on the object of his work and transforms it [40]. Objects of work are things to which work and means of work are directed in order to create life benefits.

We emphasize that such an approach takes place only if the enterprise is not related to the field of agriculture. Production, the creation of a new product in agriculture has certain features due to the specifics of the use of land, which acts as a means and tools of labor in agriculture. At the same time, it is not possible to reduce the importance of land as the physical location of enterprises in each field of production (Fig. 4.10).



**Rice. 4.10. Land as a factor of production**

Note: generated by the author

The territorial location of the land, the quality of the soil, the availability of minerals for the production of food products is not of great importance, in addition, in Ukraine today there is no value definition of the land as a business object, therefore, for production, the availability, condition and effective use of fixed assets become more important . In the food industry - machines, aggregates, equipment, the use of which creates new value, provides jobs, taxes to the budget, and in general, the possibility of the existence of humanity. Note that the main element of fixed assets is land, which can be considered as the basis, the primary base for forming the basis for the life support of the enterprise. That is, without effective use of fixed assets, the existence of the enterprise is not possible, including the creation of conditions for the formation of strategic management vectors of the enterprise's life support.

Land is the main component of the economic process, because it embodies all the forces of nature, without the existence of this factor of production, the process of functioning of the enterprise is not possible.

Fixed assets play one of the main roles in non-current assets of an enterprise engaged in production and economic activity

In social life, basic means are called property (thing). The property of the enterprise consists of a variety of tangible, intangible and financial resources - carriers of property rights of individual subjects, as well as a share of invested funds [41].

## Conclusions

Based on the results of the research, theoretical and methodological principles and practical recommendations are proposed in the dissertation for the formation of strategic management vectors for the life support of industrial enterprises, which will increase the level of production, sales activity, profitability and profitability, financial stability and solvency in conditions of negative influence of external environmental factors. The main scientific and applied research results are as follows:

1. An analysis of the approaches of scientists to the definition of "sustainability of enterprise activity" was carried out, the concept was characterized as a process of effective management of all resources and production factors available at the enterprise with the use of innovative technologies and production organization with the aim of forming their optimal level and increasing indicators: labor productivity, capital return, material return and ensuring financial stability, solvency, which will provide an opportunity to achieve the set goals in the conditions of a changing market environment. It was determined that the improvement of the definition will allow forming an optimal set of resources and factors of production, the use of which is aimed at ensuring financial solvency and avoiding bankruptcy, will provide information about "bottlenecks" in the activity of an industrial enterprise.

2. The study of the constituent elements of the enterprise's life support reflected different points of view of scientists regarding their characteristics and impact on the enterprise's efficiency. Therefore, the life support elements of the enterprise's activity have been expanded, taking into account the types of functioning and production factors based on providing them with resources, which allows the enterprise to be interesting for customers and to receive innovative, organizational, economic, financial, budgetary, social, environmental effects and received benefits will positively affect the competitiveness of products and create prospects for increasing the level of livelihood of the enterprise.

3. The need to improve the development of an integral model of the

principles of managing the life support of the enterprise has been proven. The proposed model combines: administrative-organizational and organizational-social blocks in order to take into account the interests of the enterprise and personnel in order to combine centralization and decentralization of management on the basis of discipline and motivation of personnel, justice in the distribution of profit that remains at the disposal of the enterprise after division on the basis of efficiency and optimality, initiative and harmonious development of the staff for the sake of the stability of its composition and, as a result, the life support of the enterprise.

4. The work developed a complex model of the life support of enterprises, which includes factors of the external macro environment (economic, socio-cultural, political and legal, demographic, technological, ecological) and micro environment (suppliers, intermediaries, clients, competitors, contact audiences), the internal environment taking into account of the main indicators of the R. Quinn and R. Cameron model: entrepreneurship, personnel development, interaction with the environment.

5. The essence of the concept of "strategic management of the life support of the enterprise" has been improved as a process of long-term planning according to certain rules and the use of innovative techniques, which is aimed at achieving the goals of activity and the effective use of resource-potential opportunities of the current level of life support with further preservation of growth on an innovative basis, taking into account competitive advantages, influence of external and internal environmental factors, interests and needs of consumers. In the process of forming the category of strategic management of life support activities

the enterprise was based on the meaningful competitive strategies of P. Porter and F. Kotler, which in the process of managing the life support of the industrial enterprise in full allow to reveal their strategic potential and opportunities at the specific level of the life support of the enterprise.

6. It has been proven that there is a need to improve the innovative management model of life support activities at industrial enterprises, which consists of the following elements: innovative potential, innovativeness and

innovative activity. The improved innovative management model of life support activities of industrial enterprises takes into account the following elements: innovative activity, innovative effects, innovative potential, strategies by types of innovations (product, process, market, organizational), types of effects and strategic vectors that create a basis for ensuring a positive innovation climate, which allows you to logically influence strategic decision-making, increase the level of life support of the enterprise and its competitiveness.

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