

ANALYSIS OF ENTERPRISE POTENTIAL FOR MEASURING CONTROL EFFICIENCY

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Abstract

Of paramount importance is the analysis of the economic potential of the enterprise, which serves as a way to determine the capabilities of the potential conditions for the stable and effective functioning of the organization in the future. Research needs to be continued based on a comprehensive methodology that provides a clear mechanism and control concept in order to facilitate an effective analysis of the economic potential of the enterprise and the search and development of existing reserves. The approach of authors to the formation of the methodology of economic potential analysis is presented. There are structural elements of the methodology and the connection between them. The algorithm of the analysis of the economic potential of the enterprise for measuring the efficiency of management is substantiated. The presented methodology can be used to analyze the economic potential of the enterprise, to determine the priority directions of the development of components of economic potential, to identify weaknesses and possible risks, and to form an effective control system in order to achieve the established strategic goal of enterprise development

Key words: analysis; potential; control; methodology, risks

Business entity management must anticipate and take into account many factors of the enterprise's external as well as the internal environment. This will allow utmost accurately justify the management decision and to give preference in favor of the best of possibilities. These circumstances determine the priority given to the analysis of the enterprise economic capacity that serves as a way of identifying capacity opportunities, a condition for the stable and efficient functioning of the organization in the future. There is a need to extend the research based on a comprehensive methodology that provides a clear mechanism and concept for control to contribute to an effective analysis of the enterprise economic capacity and the search and development of the existing reserves.

Some organizational and methodological aspects of the business processes control have not been investigated sufficiently. Control of the enterprise economic capacity is one of them. However, when considering this issue in the context of socio-environmental problems of the new paradigm of strategic development, new methodological questions arose. The task is to

study the methodological foundations of the enterprise economic capacity analysis to measure the control effectiveness.

MATERIAL AND METHOD

There is a need to extend the research based on a comprehensive methodology that provides a clear mechanism and concept for control to contribute to an effective analysis of the enterprise economic capacity and the search and development of the existing reserves.

Problematic matters of the analysis and estimation of the enterprise economic potential were considered by the scientists such as I. Ansoff, V. Avdeyenko, D. Androshchuk, M. Bayer, R. Bilousov, A. Dibrova (2), P. Drucker, O. Fedonin, V. Gavva, F. Hedouri, N. Krasnokutskaya, O. Krasnorutskiy (4), E. Lapin, I. Lukinov, A. Mazaraki, K. Mamonov, L. Marmul, Z. Mikoláš (7), M. Meskon, B. Messaoud and Z. Teheni (6), O. Olesyuk, I. Repina, S. Rozumenko, M. Romanyuk, S. Ross, I. Simenko, T. Shabatura, O. Shumanska, D. Rubinfeld, K. Vobliy, O. Volkova, A. Zadoya and others.

Some organizational and methodological aspects of the business processes control have not

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RESULTS AND DISCUSSIONS

According to the opinion in the scientific community, any theory inherent in its own original methodology, as well as the absence of a universal methodology is equally applicable in all spheres of scientific knowledge and at any theoretical level. The methodology having proved its research effectiveness in various fields of scientific knowledge, not everyone will be able to study a new subject area in an adequate way.

The methodology of evaluating the enterprise economic capacity is intended to indicate its content and to analyze the composition and dynamics of changes in its qualitative and quantitative parameters based on the system of valuation dominants, approaches, methods, indicators. It is important to note that, unlike theory and concept, the methodology does not give new knowledge and is not a practical ground, but it develops such scientific domains the scientific development cannot do without (Shabatura T., 2014).

The use of control involves the preliminary formation of theoretical foundations and methodology, including the development of the concept of control. The control concept is understood as an integral, which connects all its structural elements with the formalized concept of control the control subsystem. This subsystem is designed to ensure the effectiveness of management decisions and facilitate the optimization of business strategy and management policy as a whole.

The basis of the control methodology is the refinement and adjustment of the system of key indicators that characterize the state of the enterprise as an economic system and the processes of its functioning. The effectiveness of the implementation of the management decisions and the company strategy depends on a well-formed system of analytical indicators that assess the company activity. This system of indicators is formed on the ground of the current indicators of the organization functioning, on the information obtained during the analysis of weak points of production.

Control provides the development of indicators and techniques used in the analysis of competition. The organization competitive environment is constantly changing, which requires the environment monitoring. Changes in the market conditions include changes in the ratio of demand and supply, the change in the average market price, changes in consumer requirements to the quality of goods, etc. To form and plan their own competitive strategy, the information on the state of the market is needed. With this information in mind, the company can identify its own strengths to develop new strategies. Within the framework of this strategy, the weaknesses of the enterprise should be eliminated.

It is worth noting that the set of valuation principles, indicators, criteria, and methods is based on the assessment methodology.

In general terms, the assessment methodology can be submitted in the form of a sequence of follow-up actions;

- formation of categories;
- development of indicators;
- setting the benchmark;
- choice of the assessment method;
- obtaining the assessment result (Tolstaya

N., 2013).

In terms of methodology, the capacity of an enterprise is characterized by such interconnected categories as "opportunity" and "ability". Methodological bases of the enterprise economic capacity analysis to measure the control efficiency are presented in *figure 1*.

The capacity analysis is also used as a control method. The enterprise capacity is defined as an opportunity to provide viability and profit in the future. Control task is a constant analysis of the capacity for systematic tracking of the level and efficiency of its use.

It may look like there is a list of well-known methods of management and, consequently, control does not contribute anything new to the field of economic analysis. In fact, the specifics of control is that it integrates the already formed methods into a uniform system and thus provides a new quality of analytical activity. This new quality lies in the complexity of the analysis, the possibility of crosschecking the results obtained by different methods, and the implementation of the principle of complementarity of various methods. This way the implementation of the systematic approach principles in the field of control is expressed. Control is not limited to the use of methods developed within the framework of management. Equally promising are economic-and-mathematical and econometric methods.

The analysis of the former state of economic capacity consists in studying the dynamics of indicators of property status and the sources of asset formation. The analysis of the status of the enterprise economic capacity should be emphasized first, on the study of unused opportunities and growth reserves. A particular benefit in this sense is the analysis of indicators of business activity, balances of working time, the correlation of employees' education and their

official duties, etc. That is, the analysis should be aimed at assessing the optimality of the implementation of existing opportunities. The analysis of the potential lies in the study of the enterprise strategic component. Potential is closely linked to the strategic capacity of the enterprise development, which is essentially identical to it. Therefore, the research of economic potential is advisable to conduct by means of strategic analysis.

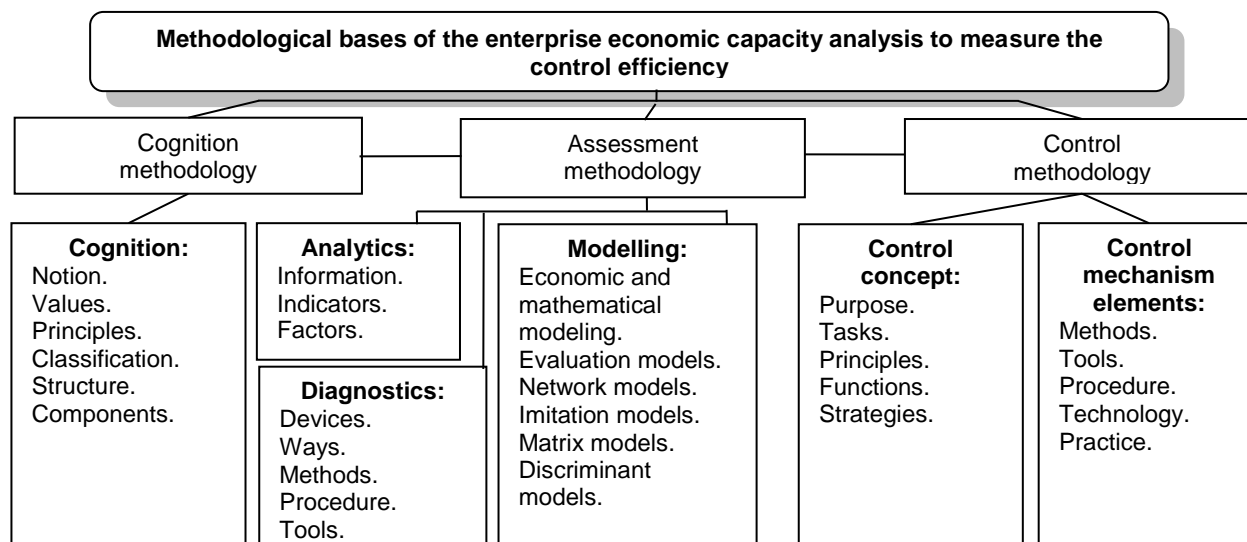


Figure 1. **Methodological bases of the enterprise economic capacity analysis to measure the control efficiency**

Strategic analysis of the economic capacity assessment should combine static aspects (analysis of the state of resources and competences) with the dynamic ones – the processes of search, formation, and development of the strategic potential (ability to see prospects, strategic strength, innovations, etc.).

The strategic analysis of the process of the enterprise economic potential monitoring involves a number of general scientific devices, such as analysis, analogy, induction, observation, planning, comparison, modeling, synthesis, system analysis, evaluation, and classification.

In addition to general scientific devices in the process of strategic analysis, there is a need to apply various techniques, including SWOT analysis, environment profile, SNW analysis, PEST analysis, and others (Panchenko O., 2015).

The ability to coordinate activities vertically and horizontally makes the control ling, regardless of who will perform this function, an effective tool of the modern management, whose activity should be aimed at maintaining and increasing the value of the company and ensuring its long-term sustainable development. The issue of the company stable development, in the end, requires the manager to implement a successful policy at the strategic as well as at the operational level of

crisis management. Methodological bases of economic capacity analysis are presented in *figure 2*.

The assessment of the economic potential components is carried out according to the relevant indicators using the theoretical scope of variation and simple arithmetic means. The integral index is calculated as the multidimensional weighted average of the indicators used.

The result is a rating assessment of the economic capacity, which characterizes the relative opportunities of the country's and the region's economic system. Accordingly, the application of the presented fundamentals of the analysis of economic capacity will contribute to a reliable measurement of the effectiveness of control ling, to determine the latent risks of the internal and external environment of the enterprise, to clearly identify the strategic management initiatives.

As far as the informational function of control is the dominant one, which is the constitutive basis to form the information potential for the practical implementation of tasks and management functions (planning, organizational, operational, motivational, control). Respectively, the effectiveness of the control methodology depends on the internal, financial, technical control

of various hierarchical levels of the management system of economic entities..

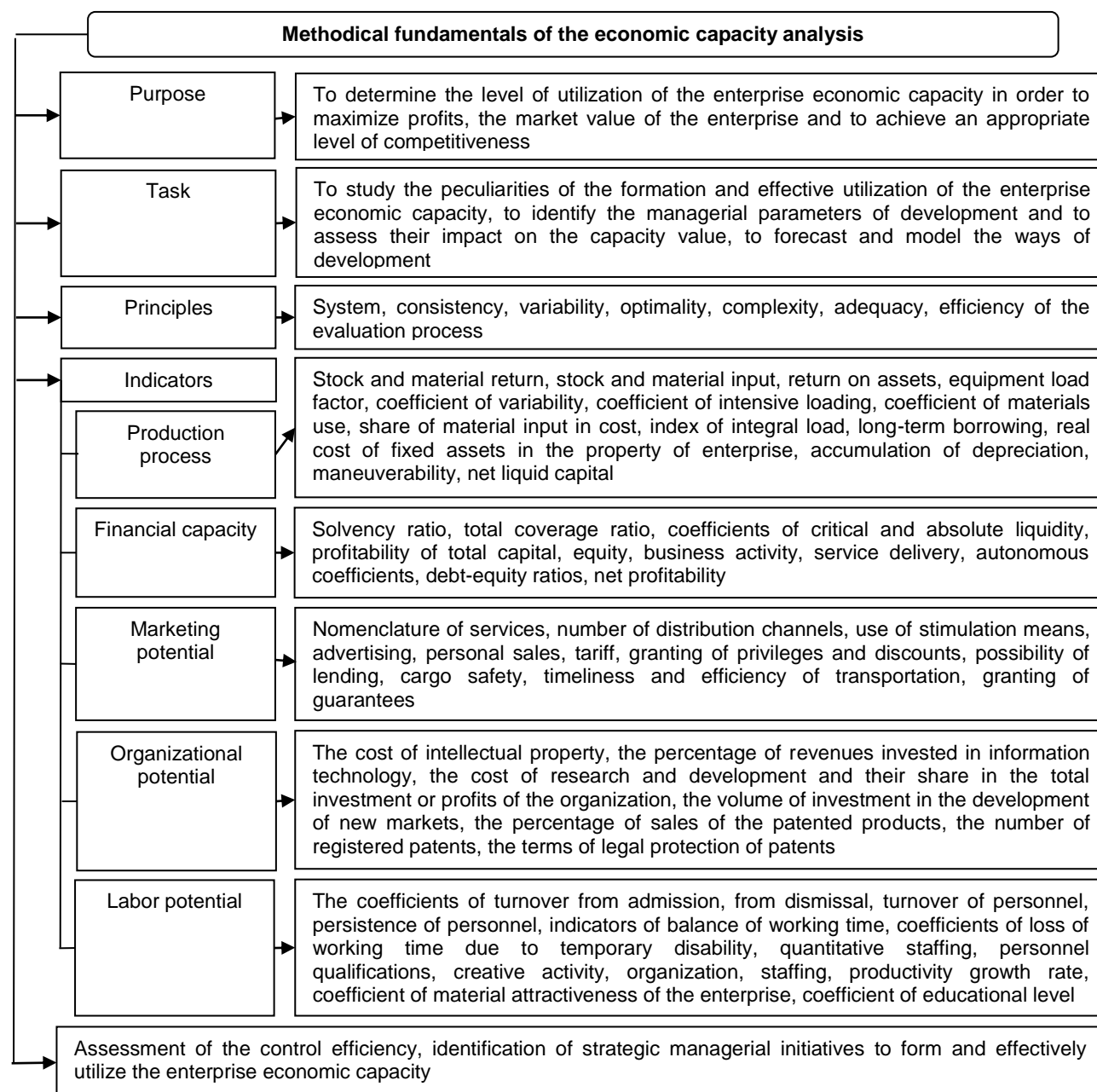


Figure 2. Methodical fundamentals of the economic capacity analysis

The effectiveness of the control methodology directly depends on the organization of the technical as well as financial internal control, carried out at all levels of enterprise management. Therefore, control of the enterprise activity involves the simultaneous operation of the complex of control systems based on the results of the internal audit in the areas of financial, technical, marketing and investment activities.

The success of any activity is possible only due to the fulfillment of important requirements that ensure the effectiveness of management decisions, management activities and management in general. The principles are of the greatest significance in the enterprise activities to ensure

the realization of the goal. These principles determine the characteristics and content of the management process. To design an effective control system, the identification of adaptive principles is relevant, as follows (Kubrak M., 2017):

1) the principle of activity continuousness, which provides for the continuous management and optimization, the receipt and evaluation of the information necessary for this purpose;

2) a systematic approach, which involves the construction of a system of planning, accounting, analysis and control at all stages of the process of formation, management and effective utilization of the enterprise economic capacity;

3) the principle of timely identification, monitoring of the risks of the internal and external environment that have a significant impact on the level of the enterprise economic capacity;

4) the principle of documentation, which involves the independence of the enterprise when determining the order of accounting, analysis, control, and management decision-making;

5) the principle of priority of strategic goals, which requires control over the justification of perspective directions of development of economic potential in the long-term perspective;

6) the principle of flexibility, which provides for a quick and clear response of the enterprise control to change the conditions of the external and internal environment of the enterprise.

The model of potential management is a set of interdependent analytical, information-and-logic and heuristic aspects, which study is possible in terms of the analysis of information flows relative

to the capacity change. It is worth noting the need to provide such an important property of the capacity as adaptability, that is, the ability to adapt certain substructures to the changing environmental conditions of the enterprise functioning.

This causes the synergistic effect of the company's potential components interaction, as well as the development of managerial decisions aimed at eliminating the destabilizing effects of the environment. The algorithm for analyzing the enterprise economic capacity to measure control efficiency is presented in *figure 3*.

Thus, the main trends of the scientifically grounded enterprise capacity management are reduced to the analysis and research of processes characterizing the change in the structure of the main components of the enterprise capacity under the influence of internal and external factors.

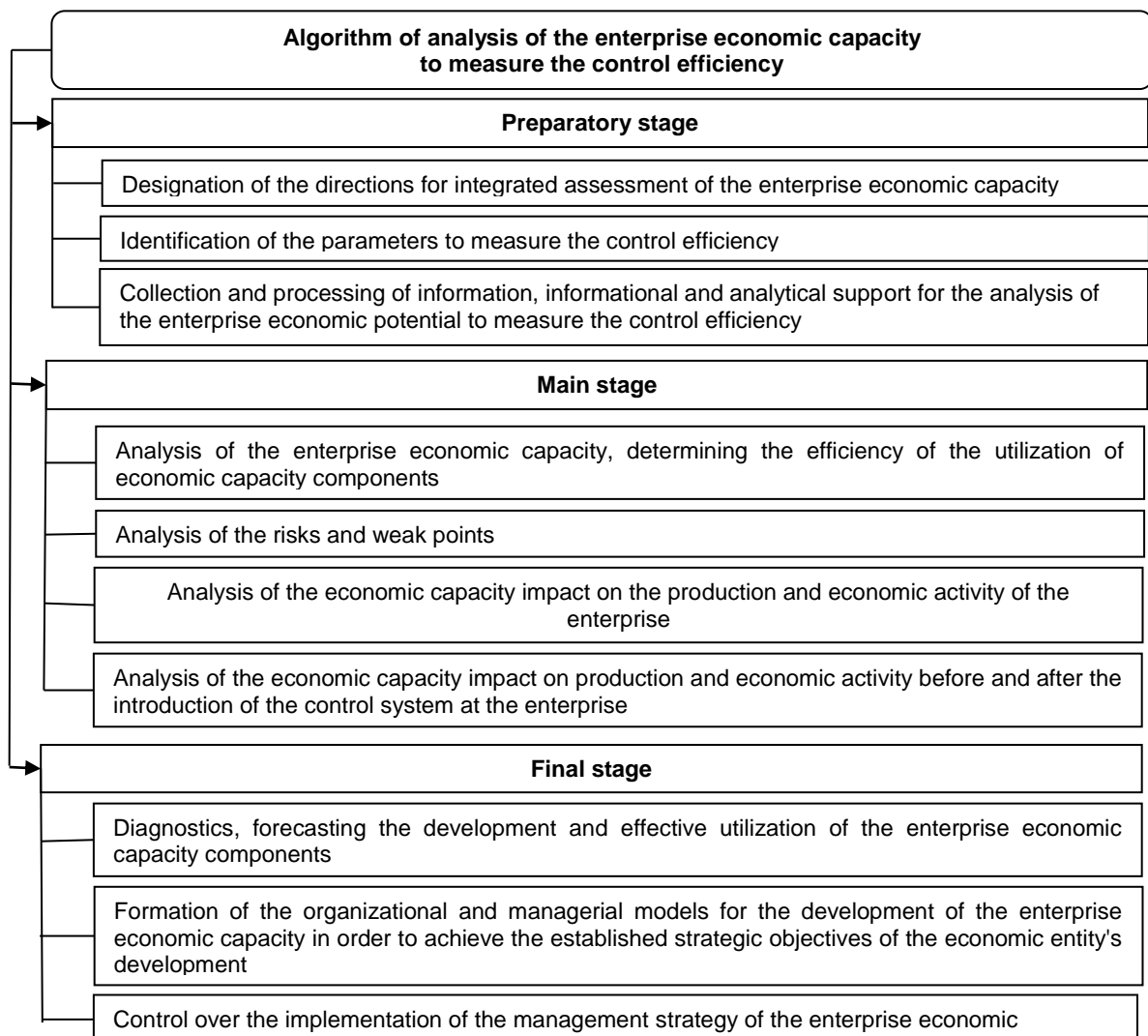


Figure 3. Algorithm of analysis of the enterprise economic capacity to measure the control efficiency

It may be the result of changes in the functional components of the enterprise capacity, which directly affect its activities, as well as the influence of external factors on the enterprise functioning. The need to adjust the goals also requires the formation of new compositional combinations of the capacity components of the enterprise (Bykova V., 2017).

CONCLUSIONS

The methodology for analyzing the enterprise economic capacity to measure the control efficiency is the most important stage of epistemological research. The complex methodology of the enterprise economic capacity will allow it to be analyzed to measure the control efficiency in order to perform the following tasks:

1) to study the peculiarities and problems of the formation and utilization of the enterprise economic potential;

2) to identify managerial parameters of the enterprise economic capacity development and the analysis of their influence on its volume;

3) to forecast the ways of the enterprise economic capacity development and the volumes of its utilization.

The presented methodology can be used to analyze the enterprise economic capacity, to identify the priority directions of the development of the economic capacity components, to determine the weak points and potential risks, to design the information platform that will ensure the implementation of the priority tasks of control in order to achieve the established strategic goals of the enterprise development.

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