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FORMATION OF ENTERPRISE MANAGEMENT STRATEGIES AND ENTREPRENEURSHIP TRAINING

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ABSTRACT

Strategy is a master plan of development that takes into account the actions of environmental factors, opportunities and threats of the enterprise, covers all the best options for achieving key goals and objectives at the lowest cost and the maximum possible profit and profitability. The strategy is a set of measures to manage the business of an enterprise structure, it is aimed at strengthening the company's market position and ensuring coordination of actions of divisions with the ability to successfully compete in the market, attract customers and achieve global goals. It is an effective business strategy, which is formed on the principles of theory and modern tools of strategic management, that is now becoming one of the main factors in ensuring economic security and sustainable dynamics of enterprise development.

Keywords: enterprise management, entrepreneurship, training, strategy.

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1. INTRODUCTION

In modern economic conditions, the survival and development of business structures in the long term depends on the ability to anticipate changes in the market in a timely manner and adapt their activities accordingly, changing the range of products and services, forms of service, sales network, organizational structure, and other elements of economic potential [4]. At the same time, the actions of organizations and their leaders should not be reduced to a simple response to changes. There is a growing recognition of the need to consciously manage changes based on a science-based procedure for their foresight, regulation, adaptation to the goals of the organization and external conditions [5]. Thus, the most effective tool for managing the development of business structures in the face of constant changes and associated uncertainty is the methodology of strategic management.

Strategic management is carried out in the context of the organization's mission, and its fundamental task is to ensure that the mission is linked to the main goals of the organization in a changing economic environment. Strategic management concerns both goals and means [6]. In terms of goals, it reflects the overall contours of the organization's future; in terms of means, it shows how goals should be achieved. So, strategic management is predictive management, related to the development and conceptualization of ideas about where the company is going. Strategic management should be implemented in conjunction with operational management practices. The essence of operational management is revealed by the content of its main functions (planning, organization, motivation, control), which are implemented in the course of the current activities of the management of the business structure. Strategic decisions cannot be implemented if they are not defined as specific tactical measures aimed at achieving the desired result [7-9]. The main characteristics that distinguish strategic management from operational management are shown in table. 1.

In other words, strategic management as a system consists of two complementary subsystems [10]:

1. analysis and selection of a strategic position;
2. real-time operational management.

2. MATERIALS AND METHODS

The first subsystem includes the following elements: analysis of the external and internal environment, formation of the mission, strategic goals and strategy, organization of its implementation, evaluation and monitoring of results. The second subsystem connects the processes of current management with the processes of changing the organization that are necessary for the implementation of the strategy. Thus strategic management of the business structure is expressed in the following five functions:

1. Planning a strategy.
2. Organization of implementation of strategic plans.
3. Coordination of actions for the implementation of strategic tasks.
4. Motivation to achieve strategic results.

Table 1 Comparative characteristics of strategic and operational management [5]

Signs	Strategic management	Operational management
Level of management	Mostly at the senior management level	Includes all levels with the main focus on the middle management level
Problem characteristics	Most of the problems are not structured	The problems are relatively well structured
Interval	Focus on long-term as well as medium-and short-term goals	Focus on short-and medium-term goals
Necessary information	Mostly information from the external environment	Mostly information from the company itself
Alternatives	A wide range of alternative solutions	Limited range of alternative solutions
Coverage	Concentration on certain important positions	Covers and integrates all functional areas
Level of detail	Low	Relatively large
The main values that are monitored	Sales growth, market development, market share growth	Profit, profitability, liquidity

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3. Coordination of actions for the implementation of strategic tasks.
4. Motivation to achieve strategic results.
5. Control over the implementation of the strategy.

In the process of strategic management, the following functional tasks are solved [11]:

1. Determining the type of commercial activity of the business structure and forming strategic directions for its development (defining goals and long-term development prospects).
2. The transformation of General goals into specific areas of work.
3. Effective implementation of the selected plan to achieve the desired results.
4. Evaluation of the work performed based on the results of market situation analysis.
5. Making adjustments to long-term business lines, goals, or strategies (due to experience gained, changes in conditions, new ideas, or new opportunities).

The main management decisions when forming a company's business strategy should cover the following issues:

- about reconstruction of the enterprise;
- introduction of new products and technologies;
- about organizational changes (changes in the organizational and legal form of the enterprise, the structure of production and management, new forms of organization and remuneration, interaction with suppliers and consumers);
- entering new markets, acquisitions, mergers, etc.

Strategy development is carried out at the highest level of management of the organization and is based on the following tasks:

- development of strategic goals of the company;
- evaluating its capabilities and resources;
- analysis of trends in the field of marketing;
- evaluation of alternative courses of action;
- defining a strategy for the future;
- preparation of detailed operational plans, programs and budgets;
- evaluation of the company's activities based on certain criteria, taking into account the planned goals and plans.

In the practice of strategic management, the following stages of forming and implementing a business strategy can be distinguished [12]:

1. Preliminary assessment of the state of the organization and the impact of the external environment, determining the main guidelines (goals and mission) of the enterprise and the period of strategy development. (Identification of the most significant requests of the main stakeholders and identification of inconsistencies between their wishes and the results of the company's activities).
2. In-depth research of the organization's external environment and sales markets. (We study the economic and legal conditions of production activities, their possible changes in the future period, the consumer market situation and the factors that determine it. The forecast of individual segments of the consumer market is being developed).
3. Assessment of the organization's strengths and weaknesses. (The root competencies are identified, and the possibilities of implementing the internal potential of the enterprise to ensure competitiveness are determined).
4. The selection of priority guidelines and model of development of the organization. (Benchmarks are goals that are planned to be achieved in the planning period. Within the framework of the selected model, the company's priority areas of activity are determined).
5. Choosing and working out your own strategy and forming a system of strategic goals.
6. Specification of strategy targets and development of a strategic plan. (The definition of specific indicators can be carried out for the entire period of implementation of the strategy and for the necessary estimated period).
7. Implementation of the strategy and evaluation of results. (At this stage, a system of measures or a program for their implementation is developed for each element of the strategy. A budget is formed that includes the cost assessment of the program and resource allocation, and a system for evaluating the economic efficiency of the strategy implementation).

According to the classification, which is known as the "strategy portfolio", the organization can use not one, but several types of strategies: at the highest or corporate level-corporate strategy; at the middle level or at the level of a particular type of business-business or competitive strategy (business strategy); at the level of individual functional divisions – functional strategies; at the level of productive divisions of the company – operational strategies.

Conceptual approaches to the formation of business strategies determine the directions or schools of strategic management, a detailed analysis of which is presented in the work of G.

Mintsberg, B. Alstrand, J. Per. Lempel (1997) [13-14]. Describing the type of strategy formation process, the authors identify ten scientific schools (table. 2).

These schools of strategic management have proven themselves well in the practical activities of enterprises and hold reliable positions for designing business strategies both in companies belonging to" traditional " industries and in innovative business sectors. Therefore, the most important task for the management of an entrepreneurial structure is to learn how to apply the necessary and effective methods that arise in specific organizations and in a certain Arsenal of methods provided by schools, for a given time.

Table 2 Schools of strategic management [3]

School name	The essence of the strategic management process	Protagonist
1. Design's	Strategy formation as a process of understanding. Basic principles: 1) strategy formation occurs as finding a match between the characteristics of the company and the opportunities that determine its position in the external environment (SWOT analysis); 2) the strategy developed for a specific organization is unique and is formed without pre-defined standards.	Manager
2. Planning	Strategy formation as a formal process. The process of developing a strategy is a set of formalized procedures for the design, programming, and planning. The main tool is the so-called growth vector (V. Ansoff's commodity matrix) and the corresponding models of diversification based on portfolio analysis.	The Department of strategic planning
3. Positioning	Strategy formation as an analytical process. Strategy formation is an orderly process of strategic planning that relies on competitive and industry analysis and a set of analytical techniques that allow you to select the right strategy according to certain conditions. This school includes: Boston consulting group concepts (growth rate – market share matrix, experience curve). Concepts: competitive analysis; competitive advantage of the company; competitive strategy; value chain of M. Porter.	Top management of the company
4. Businesses	Strategy formation as a process of foresight. The process of strategy formation is reduced to the behavior of one person-the Manager, who makes key decisions on strategy and management. The Central concept of the school of entrepreneurship is "vision", that is, an imaginary representation of strategy, born or reflected in the minds of senior management.	Leader, entrepreneur
5. Cognitive (cognition)	Strategy formation as a mental process. Fundamentals: 1) the process of strategy formation is considered as a process of cognition that takes place in the mind of the strategist; 2) strategy is a perspective that reveals ways to get information from the environment. Main direction: strategy formation is an attempt to create an objective picture of the world; strategy is seen as an interpretation of the world.	Director
6. Training	Forming a strategy as a developing process. Strategic management is considered as a process of "collective learning", which results in the development of key competencies of the organization.	Any person in the organization

School name	The essence of the strategic management process	Protagonist
	The strategy should be developed, based on training and allow flexible response to changes in the external environment.	
7. Authorities	Forming a strategy as a negotiation process. Strategy formation is a political process of negotiations between conflicting groups within an organization or between an organization and the external environment, in which a compromise is found between its participants.	Power structure
8. Organizational culture	Strategy formation as a collective process. The strategy depends on the culture of the organization, and the process of its formation is a collective process of social interaction of the organization's members. Organizational culture not only influences the process of strategy formation, but also provides a certain resistance to strategic changes, which must be overcome by the company's top management.	Social interaction of the organization's members

The globalization of capital markets, integration into the global economic space, the formation of international conglomerates and, in this regard, the strengthening of competition in most industries, requires businesses to make original creative decisions and actions, mobility, and readiness to implement new technical tools, which actualizes new, specific approaches to the formation of business strategies. One of these approaches is the creative approach, which is called the "blue ocean strategy".

"Blue ocean strategy" is a strategy of avoiding competition by carefully studying the market and introducing innovative business models that can ensure the company's entry into a new market and create demand that did not exist before. The main goal of most existing strategic models is to achieve competitive advantages, that is, to find an answer to the question: "how to act better than your competitors?". The "blue ocean strategy" model is not dominated by the idea of being ahead of other market participants. On the contrary, it is fundamental to the fact that competition is not a key factor in creating blue ocean opportunities. In this case," blue oceans " are market territories that are not subject to appeal, and where the company meets new customer needs [15]. The basis of the "blue ocean strategy" is value innovation – something that makes competition simply unnecessary by taking the company to a fundamentally new level.

When using the "blue ocean strategy", the main focus is on creating new markets at the stage of product development or improvement. This encourages managers of business structures to explore new market spaces that are not yet disputed with other participants.

Table 3 Comparative characteristics of the "red ocean" and "blue ocean" strategies [7]

Red ocean strategy	Blue ocean strategy
Strategic goals and objectives: 1) compete in an existing market space; 2) beat your competitors; 3) take advantage of the existing demand; 4) look for a compromise and the most acceptable option in the ratio " price / quality»; 5) align the entire system of operations of the company with its strategic choice, which allows you to achieve cost differentiation or low costs.	Strategic goals and objectives: 1) create a non-contested market space; 2) to eliminate competition; 3) generate new demand and meet it; 4) offer the best software option price / quality ratio» 5) coordinate the entire system of operations of the company so as to achieve both cost differentiation and low costs.

The comparative characteristics of the "blue ocean strategy" and the traditional competitive "red ocean strategy" (the company's development in a highly competitive environment due to the lack of significant differences from competitors) are presented in table.3.

The "blue ocean strategy" gives the strategic management process a more pronounced focus, encourages the organization to act innovatively, actively develop its business, and explore new opportunities that will create new values for consumers. Using this approach to forming a business strategy, you can create two types "blue ocean", that is: to offer a completely new industry, or to develop new opportunities for an existing industry, which will lead to the expansion of its strategic borders [16].

The "blue ocean strategy" does not have a clear sequence of actions and therefore it is not easy to implement it in practice. In addition, this strategy has specific risks that are usually inherent in a new product development strategy, namely:

- research risks,
- planning risks,
- risks of increasing production scale,
- risks associated with business models,
- organizational and managerial risks.

However, the "blue ocean strategy" is appropriate for those business structures that seek to provide a certain focus for the company's strategic development, based on the formation of new productive business ideas.

The formation of the business strategy of the enterprise should ensure the effective distribution and use of all the company's resources: material, financial, labor, technological and, as a result, the stable position of the enterprise in an aggressive competitive environment. In this regard, the most rational is the reorientation of the management of companies with reactive forms of control (management decisions as reactions to current problems) to the management on the basis of a comprehensive analysis of the dynamics of activity of the enterprise taking into account influence of external and internal socio-economic and political factors that will comprehensively and professionally to predict the future state of the market, realistically assess risks and to provide information regarding the development of effective business strategies. For this purpose, it is quite relevant to introduce analytical software products into the practice of strategic management of domestic business structures, which provide a clear organization of management accounting, operational management of production and sales, effective interaction with customers and suppliers.

3. CONCLUSION

Effective functioning and sustainable development of domestic business structures in an unstable market environment requires fundamentally new approaches to the development and implementation of business strategies. The modern concept of strategic management involves the comprehensive use of classic theory and the latest development tools banastre with a clear understanding of the purpose and structure of the organization, research the competitive position in the market, establishing the mechanisms of interrelation of indicators of financial – economic activities of the company and risk factors. To ensure stable functioning and further development of the company in the market environment, there is a real need to introduce modern software products and technologies in the process of forming the organization's strategy.

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