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STRATEGIC MANAGEMENT OF ENTERPRISE ACTIVITIES: ESSENTIAL CHARACTERISTICS, ROLE AND TASKS

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The deep economic crisis, the unstable political situation, the Covid-19 pandemic, and now the full-scale war in Ukraine have caused significant problems and losses to many sectors of the national economy. In such conditions the ability to adapt to these changes with the help of strategic management of the enterprise's activities becomes key for the survival and further successful development of the enterprise.

Having emerged as a concept in the 1960s in connection with the constant development of management systems and changes in production conditions, strategic management has been actively introduced into the practice of enterprise management since the 1990s. The transition to strategic management has become critical for many enterprises operating in market conditions due to the growth of demand, profound changes in technologies and areas of production, as well as in international markets and in conditions of globalization.

The outstanding scientist I. Ansoff [3] made a significant contribution to the development of the theory of strategic management, arguing that strategic management includes setting the goals and objectives of the organization, promoting productive relationships between the organization and its business environment, which allows achieving the goal, in accordance with internal opportunities and remain flexible when facing external challenges.

Recently, the scientific literature has also paid considerable attention to strategic management, and each author tries to offer his own understanding of this economic category. Therefore, today there is no unambiguous definition of the concept of "strategic enterprise management".

The conducted analysis confirms the existence of various approaches and the ambiguity of the interpretation of the concept of "strategic management". Although all definitions are similar in essence, they have significant differences depending on which aspects of strategic management scholars pay attention to. Analyzing the given concepts, it can be stated that the majority of scientists, both domestic and foreign, emphasize that strategic management is a continuous process aimed at achieving long-term goals.

In our opinion, the strategic management of an enterprise is a complex dynamic process that focuses on the effective use of the enterprise's potential to achieve long-term competitive advantages in the market, which involves the achievement and timely adjustment of goals in accordance with changes in the external environment, and is implemented through innovative approaches, expansion activities, enterprise restructuring or anti-crisis management.

Based on the essence and meaning of strategic management, its main principles can be identified (Fig. 1).

Strategies for managing enterprise activities are individual for each enterprise or firm and depend on industry affiliation, type and specialization of production, as well as on production, marketing, financial and innovation capabilities, the level of personnel qualifications and other factors. The importance of strategic management for the functioning of the enterprise is emphasized by the fact that such tasks are always entrusted to the top management of the enterprise and are not delegated in any case.

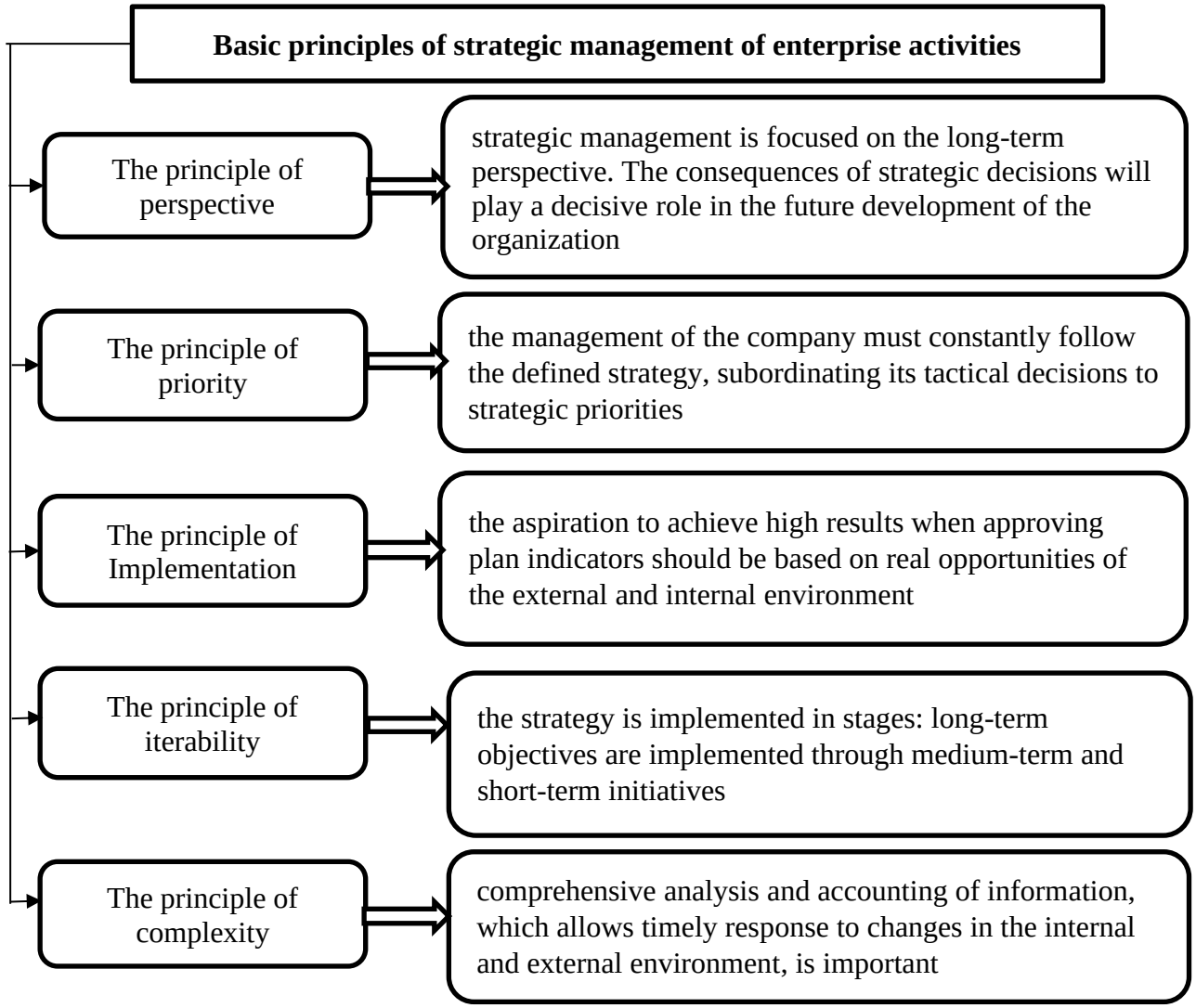


Fig. 1. Basic principles of strategic management of enterprise activities

Source: built on materials [1]

Thus, the task of strategic management is to ensure such interaction of the organization with the environment, which allows maintaining its potential at the level necessary for achieving goals, and thus ensures long-term survival. Without strategic management, enterprises lose the ability to quickly respond to modern challenges and achieve long-term goals. And, on the contrary, effective strategic management guarantees long-term achievements of the enterprise on the market, significantly increasing its chances of success.

References

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