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MANAGEMENT OF INNOVATION RESTRUCTURING THE ENTERPRISE

Increasing global competition in today conditions functioning are forces the enterprises to respond adequately on changes of the environment and timely reform of economic activities in order to increase the technological level of production for acquire innovation-investment attractiveness and ensure the stability of its own development. In such conditions, integral part of the functioning of enterprises is become systemic restructuring. Topicality of restructuring is growing in the context of macroeconomic crisis phenomena, overcoming of which is possible by activation the innovation policy of the enterprise. However, the enterprises must change their survival strategy to the strategy of updating production technology, sales and management, that is, to implement changes in all internal processes. Restructuring involves the implementation of not only optimal models of production organization, but also requires solving the issues of attracting investors for technological modernization of production and introduction of innovations.

The realities of the restructuring of domestic enterprises and the serious drawback are the lack of innovation orientation of the planned transformation. That is why development and practical recommendations for introducing new mechanisms of innovative restructuring of enterprises are becoming especially relevant.

Innovative restructuring is a continuous process of introducing new technologies or individual technological processes, “know-how”, optimization of asset structure, application of effective management systems, ensuring high qualification of personnel in order to increase the efficiency and competitiveness of the enterprise.

Innovative restructuring is progressive character, because it is characterized by a functional enrichment of the form of restructuring

and its implementation mechanism, that is, its set of techniques, technology, tools for the implementation of the restructuring process. Innovative restructuring is practiced not only in crisis enterprises, but also in enterprises that work stably and seek radically qualitative changes. When making changes, the main should be the innovative direction of management systems, the flexibility of production, targeted and productive innovations.

Research show that formed in Ukraine the mechanism of innovation restructuring includes mainly the organizational part. In the absence of such a mechanism, the most important components are: economic stimulation of innovation activity; an organizational structure capable of perceiving innovations; financial support of innovative projects, informational support of innovation activity; methods of evaluating the effectiveness of innovative programs and projects taking into account internal and external risk factors, it is impossible to significantly improve the results of innovative activity of enterprises and ensure their sustainable development.

In order to achieve the established strategic and tactical goals, it is necessary to form an appropriate mechanism of innovation restructuring, which is one of the means of activating innovation activity and structural adjustment of the enterprise. Under such a mechanism it is necessary to understand the set of elements that determine the material and organizational foundations, motives, stimulates and conditions for the effective implementation of innovation restructuring. The main link in the development of such a mechanism should be the management system of innovation activities. Therefore, the mechanism of innovation restructuring should include a set of elements of the innovation management system, which will reduce the cost of production, the creation of an optimal, cost-effective structure of irreversible and working capital, the introduction of advanced technologies in the production process.

According to the results of the generalization of theoretical and analytical research what concerning the features of the procedure of innovative restructuring, will propose an organizational-economic mechanism for management the innovative restructuring of the enterprise, which includes subsystems of formation and functioning (figure 1).

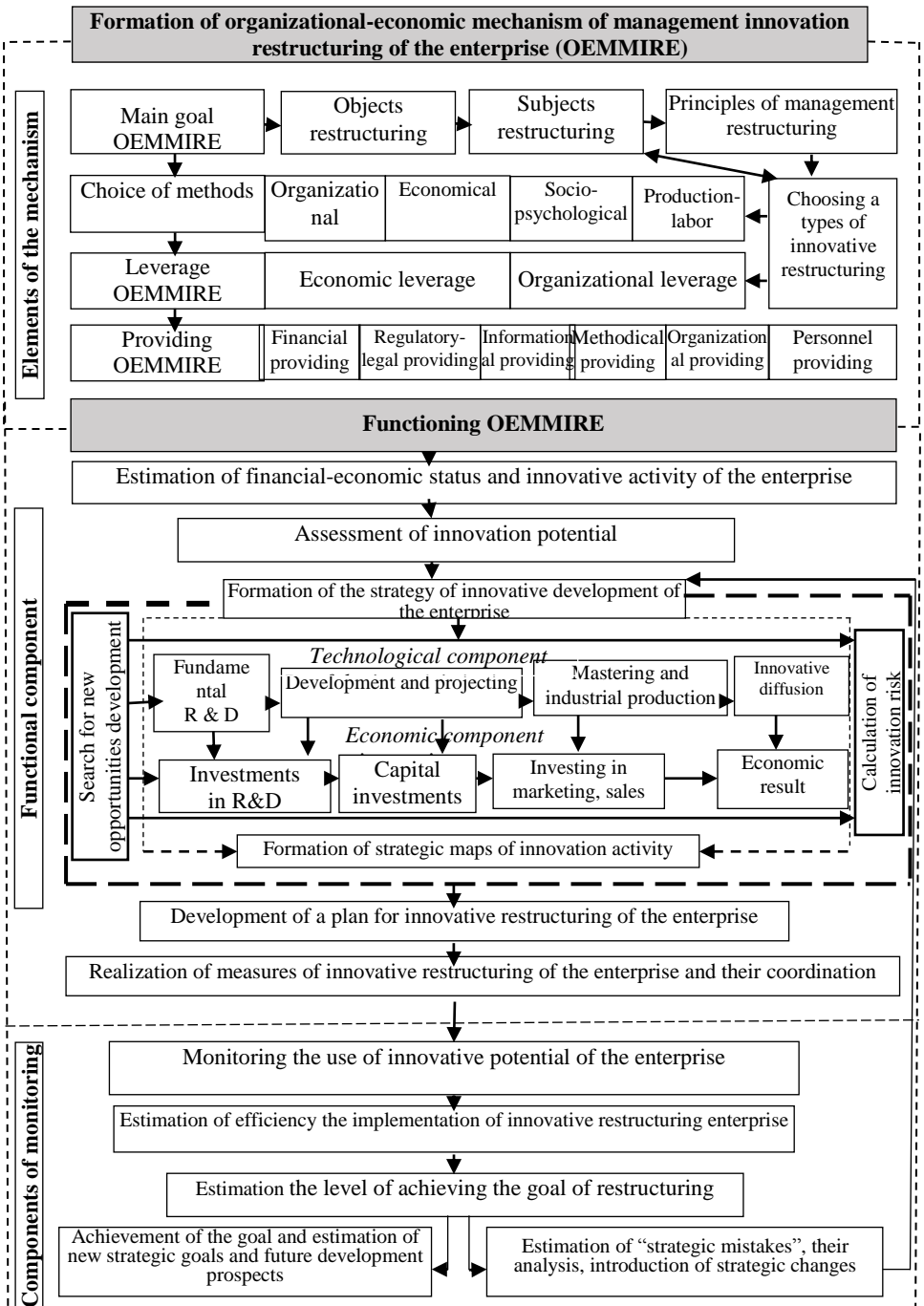


Figure 1. Organizational-economic mechanism of management innovation restructuring of the enterprise

Organizational-economic mechanism of management innovative restructuring of the enterprise is an integral part of the overall enterprise management system, which, using methods, tools, bases on the observance of certain principles and regularities for its functioning, with the help of instruments and leverage provides an increase of the innovation potential, competitiveness and financial sustainability of the business entity in conditions of economic instability and sharply reduced, both external and internal volumes of investments directed on the development of engineering enterprises. The forming of this mechanism creates the necessary preconditions for managers of enterprises of different levels of management to clearly represent the future of their enterprise and develop its strategic capabilities.

For a more in-depth understanding and scientific justification of the feasibility of developing and implementing an organizational-economic mechanism of management innovation restructuring of the enterprise consider the main components of it.

The main goal of management innovative restructuring is to create such business entities that are able to produce competitive products, be technically secured and financially-capable at the expense of intensifying innovation activity.

The objects of innovative restructuring of the enterprise can be: innovative programs and projects; new knowledge and intelligent products; production equipment and processes; infrastructure of production and entrepreneurship; organizational-technical decisions of an industrial, administrative, commercial or other character that significantly improve the structure and quality of production and (or) social sphere; raw materials, means of their extraction and processing; commodity products; mechanisms of formation of the consumer market and sales of commodity products.

The subjects in this mechanism can be: owner of the enterprise, management of the enterprise, investors, personnel of the enterprise. Investors can be, in accordance with the Law of Ukraine “On Innovation Activity”, physical and (or) legal persons of Ukraine, physical and (or) legal entities of foreign states, stateless persons, associations of these persons who carry out innovation activities in Ukraine, and (or) involve property and intellectual values, invest their own or borrowed funds in the implementation in Ukraine of innovative projects [1; 2].

The basis of this mechanism should be the principles of

management of innovation restructuring, the observance of which will ensure the success of its realization:

- principle of systemic – this is the principle that involves the formation at the enterprise system that provides innovative search and implementation innovation. The conceptual basis for applying the principle can be considered in the above definition of organizational-economic mechanism. Quite often, can find statements about the need a systemic view of enterprise managers for their innovative development, but it should be understood that systemic is a very broad concept;

- principle of efficiency, the essence of which is to maximize use the innovation and production potentials for the formation of a substantiated strategy of management restructuring enterprise;

- principle of scientific basis – takes into account all available approaches that are of a scientific character;

- principle of consistency – involves the consistent implementation of all components of the restructuring plan;

- principle of focusing on innovative development – constant search and realization of innovative projects and ways to solve problems;

- principle of legal substantiality – compliance of innovation activity with existing laws and regulations, which carry certain restrictions, or, conversely, permission to use one or another method, behavior, process;

- principle of prudence – planning of activities so as to avoid an ineffective result from the introduction of innovation in the enterprise;

- principle of responsibility for the consequences of managerial decisions, which implies the existence of a certain system of responsibility of the manager of restructuring and all parts of the management apparatus for the results of activities, including material;

- principle of existing risk is explained by the fact that the activity which entails the introduction of certain innovations on the market or the enterprise is very risky, because it is impossible to track all probable scenarios of the development of events. That is why the enterprise should choose the so-called “golden mean”, control the situation on the market and in the industry, and choose the way for further action with minimization the risk;

- principle of increasing competitiveness – the development and

implementation of innovative projects aimed at increasing their position on the market and among competitors;

- principle of adaptability, involves the adaptation of the management system by the innovative restructuring of the enterprise to rapid (permanent) changes in the internal and external environment of the enterprise.

Organizational-economic mechanism of management innovation restructuring of the enterprise can be conditionally divided into two key blocks: organizational, defining the powers and actions of the departments of the enterprise which involved in the restructuring process, and the economic, what reflecting direct functional content of the mechanism by the appropriate methods and means for the formation and management the financial resources which needed to ensure its sustainable development.

In order to ensure the effective realization of the restructuring of enterprises, it is necessary to achieve balanced work of all components of the organizational-economic mechanism.

The Instrumental apparatus contains the levers and methods of management and creates a core of management activity. Management methods consist in the targeted influence of the subject on the object to achieve the goal. Management of the enterprise is carried out by the whole system of methods, because organizational methods create preconditions for the use of economic, and socio-psychological complement them and form the necessary interconnection of tools enterprise management. Proper ownership of all management methods allows improving productivity and profitability of production.

In the process of development of society, improvement of technical capabilities and system of production relations, the number of levers and methods that influence the effectiveness of the organizational-economic mechanism of management innovation restructuring is increasing.

The lever is a means with which it is provided combination of the components of the mechanism into a single system and the integrity of its functioning. Functioning of the levers of the organizational-economic mechanism is based on at the system of legal norms that are in accordance with the current legislation. The levers of organizational-economic mechanism include: organizational and economic. Organizational content includes: personnel providing, information providing and information protection, organizational-

legal form and structure management. Economic leverage includes depreciation and pricing policies, taxation, lending and insurance. The application of organizational and economic mechanisms of the consists in combining the objective and subjective aspects of human activity in the context of continuous development based on the introduction of technological innovations and increasing the efficiency of the use of production potential [3, p. 13].

Organizational-economic mechanism of management innovation restructuring of the enterprise includes a functional component that combines the main tools and processes of restructuring. As tools in the organizational-economic mechanism of management innovation restructuring of the enterprise should be used state and level of enhancement of innovation potential. The innovative potential of the enterprise is the ability to achieve the innovative goals set with available resources. The structural components of innovative potential the enterprise are: organizational-managerial potential; scientific-technical potential; production-technological potential; financial-economic potential; human potential.

To do this, it is necessary to develop such a strategy of innovative development of the enterprise, which would allow the enterprise to offer a market the fundamentally new product or service, receiving this advantage of the “first move” in this business. The purpose of this strategy is to take a leading position in the market, thus, an important condition for the realization of this strategy is the introduction of innovations earlier than competitors. This strategy is associated with high risk, since innovative technologies are combined with the uncertainty of both development itself and the response market to a new invention. At the same time, this strategy should provide a stable competitive advantage through a monopoly position. The main condition of the innovation strategy is a technological breakthrough and a quick response to market changes at the expense of a flexible organizational structure and available unique resources.

Strategy of innovative development of the enterprise is advisable to implement on basis of strategic maps, the formation of which is based on the construction of profiles of the state of innovation development with the identification of key indicators, the impact of which through the complexes of tools direct and indirect action can increase the effectiveness of the use of

innovation potential and efficiency of the management system enterprise on the strategic and operational levels.

Planning the process of restructuring the enterprise begins with the formulation of its goals. The importance of this stage is due to the fact that the form goals set will be the basis of further management decisions at various stages of the restructuring process. The duration of the realization and the directions of the goals are determined by the prerequisites of restructuring and should cover the planned indicators that the enterprise seeks to achieve as a result of restructuring measures. Another important factor in the justification of restructuring measures is the operating conditions and indicators of activity the enterprise, the evaluation and forecasting of which follows the formulation of goals.

The component of the monitoring of the organizational-economic mechanism of management of the innovative restructuring of the enterprise involves determining the level of achievement of the main goal of the restructuring. Depending on the completeness of its achievements, it can be divided into: full achievement of the goal and failure to achieve the goal of restructuring.

The results obtained will influence the adoption of appropriate decisions which stipulate or terminate the process of innovative restructuring in connection with the full achievement of the goal, or termination of it in connection with recognition that the management of the enterprise was unable to effectively use the innovative potential of the enterprise, investments that have been invested in innovative develops and bring the enterprise to a new level of development. In addition, the partial or non-achievement of the goal of restructuring involves the adoption of managerial decisions, which for objective reasons necessitate the continuation of the restructuring procedure. To do this, it is necessary to define "strategic mistakes", to carry out their detailed analysis, to analyze the internal and external factors that negatively affected on the results of restructuring. If the enterprise has an innovative potential and the management of the enterprise has taken into account "strategic mistakes", then it can move to the development of a new strategy of innovation development of the enterprise. This possibility is explained by the presence in the organizational-economic mechanism of

management of the innovative restructuring of the enterprise feedback, which is directed to the functional component of the mechanism and involves finding new opportunities for development. This property of the mechanism ensures its adaptability to the constantly changing conditions of the market environment.

Effective functioning of the organizational-economic mechanism of management of the innovative restructuring of the enterprises is possible that condition interconnected the elements the organizational and economic components, which will create conditions for ensuring effective interaction of the parties in the restructuring procedure through a system of restructuring levers, measures and methods.

Despite the fact that the constituent elements of the mechanism of management innovation restructuring of the enterprise are presented in general terms, but the mechanism itself for each enterprise is individual and needs to take into account many aspects, starting from the definition of the goals of the restructuring and ending up realization of its program depending from available resources and innovation potential.

Thus, the formation of a flexible, dynamic organizational-economic mechanism of management innovative restructuring will contribute to the stable functioning of the enterprise, ensuring its development and increasing competitiveness.

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