THE FORMATION OF THE ENTERPRISE’S CORPORATE STRATEGY IN THE CONTEXT OF GLOBALIZATION

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The features of the formation of the enterprise’s corporate strategy in the context of globalization are described. It is specified that such management functions as strategic planning, organization, motivation, control and regulation are the basis of the process of forming the enterprise’s strategic set. It is determined that during the formation of any strategy one should provide new opportunities, such as: markets that can be entered, the capacity of every consumer market, new products, the definition of programs for promotion and distribution, the sequence of entering the market. The basic phases of the enterprise’s development and the system of strategic management in the context of globalization for the purpose of achieving the competitive advantage, namely: the development in the national scale, the growth of export activity, the offshore production, the internationalization of the enterprise, the globalization of the enterprise are defined.

Key words: globalization, the corporate strategy of the enterprise, competitiveness, competitive advantages.
Охарактеризованы особенности формирования стратегии развития предпринятия в условиях глобализации. Уточнено, что основной процесс формирования стратегического набора предприятия являются функции управления: стратегическое планирование, организация, мотивация, контроль и регулирование. Отмечено, что при формировании любой стратегии следует выделять новые возможности: рынки, на которые можно выйти; вместимость каждого потребительского рынка; новые виды продукции; определение программ продвижения и распределения; последовательность, в которой целесообразно выходить на рынок. Очерчены основные фазы развития предприятия и система стратегического управления в условиях глобализации с целью завоевания конкурентного преимущества, а именно: развитие в национальном масштабе; рост экспорной деятельности; производство за рубежом; интернационализация предприятия; глобализация предприятия.

Ключевые слова: глобализация, стратегия развития предприятия, конкурентоспособность, конкурентные преимущества.
adaptation to the needs of international markets and impactful entrance to worldwide resources such as capital, labor, raw materials and technology. Even according to authors such as K. Omae, R. Reich, C. Bartlett and S. Ghoshal, there are no national boundaries for a global company. But despite the fact that companies really compete on a global scale, and such costs as raw materials, capital and scientific knowledge move freely all over the world; there is the irrefutable evidence that the activities on the local market continue to play the fundamental role in the attainment of competitive advantages, according to the model of M. Porter. However, due to the intense expansion of economic networks, the importance of basic competitive forces, according to Porter’s Five Forces Model (Threat of new competition, Threat of substitute products or services, Bargaining power of customers (buyers), Bargaining power of suppliers, Intensity of competitive rivalry) is leveling: the impossibility to assess objectively the performance of industry’s profitability, the assumption that the strength of five factors is the same for all competitors in the industry, the simplification of some concepts, such as industry structure [11].

The mechanism of forming the enterprise’s strategic set is a system of methods, procedures, guidelines, criteria and processes for developing and providing the implementation of the strategic directions of development. The formation set of the enterprise’s strategic is the management process and the following management features are its foundation, such as:

**strategic planning** – to develop individual strategies and the strategic set;

**organization and motivation** – to provide the effective formation of the strategic set by creating specific organizational and methodological conditions;

**control** – to analyze and evaluate strategies to determine the level of achievements;

**regulation** – to do some changes in case of deviations between planned and actual results.

It should be noted that one of the important objectives when forming the enterprise’s strategic set is the provision of interaction between external and internal environment [12].

In this regard, A. Prisayagina emphasizes that for the creation of a successful international company there should be the clear formulated strategy as a complex system of setting and implementing the strategic objectives of the enterprise, based on the environment prediction and development of ways to adapt to its changes that include:

- the definition of the enterprise’s type, method of business management and ownership, analysis of the strengths and weaknesses (SWOT-analysis is used); the formulation of the basic conditions of the company’s business (investment and development, quality management, planning, cost control, management and accounting, information management);
- the development of the enterprise’s mission, development of objectives; philosophy of the enterprise.

The strategy of the company must meet current market requirements and ensure the success of the enterprise in the future. In the formation of any strategy it is necessary not only to take into account changes in the environment such as expanding range of products, new technologies and products, dilution of boundaries between industries, increased competition and rapid deterioration of information, development of network structures, but also to provide new opportunities such as: markets for entrance, the capacity of every consumer market, new products, the definition of promotion and distribution programs, the sequence for market entrance [13].

It is necessary to clarify the question concerning phases of development that the enterprise must go through in the globalization (Figure).

**Fig. The basic phases of the development of the enterprises in the context of globalization**

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<th>Phase 1.</th>
<th>National development</th>
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<td>Phase 2.</td>
<td>The growth of export marketing activities</td>
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<td>Phase 3.</td>
<td>Overseas production</td>
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<td>Phase 4.</td>
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<td>Phase 5.</td>
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**Phase 1. National development.** On national basis, the enterprise has to do its best to get its specific benefits. At this stage it is not interested in penetrating into foreign markets, especially in cases where the size of internal market is sufficient.

**Phase 2. The growth of export marketing activities.** The enterprise has reached the appropriate production output and seeks to expand markets and starts to export products in order to eliminate gaps of realization.

**Phase 3. Overseas production.** Production is moved around over the sea where branches of the enterprise are opened. It is expected to reduce transportation costs and give other benefits provided by the host country, such as low labor costs, availability of raw materials, receiving of grants.

**Phase 4. The internationalization of the enterprise.** It enters the markets of several countries and tries for the consolidation of all international transactions. It is essential to share the final products and their components between foreign affiliates and the parent company.

**Phase 5. The globalization of the enterprise.** The decision is made to implement the globalization of all operations. At the central level, production and distribution operations are coordinated. The enterprise searches for partners in order to reduce the fixed costs of operation. It should be noted that the phases 4 and 5 must not necessary come one after another, they can be carried out independently.

The mentioned development requires the formulation of the appropriate strategy to ensure the efficient operation of a business entity in each phase and prompt transition to the next one. At the first three stages the task of managers is to identify the place of the organization in the changing external environment, the research of possible opportunities and threats, realization of necessary adaptive actions. To be efficiently implemented, the strategy must be supported by the institutional structure, modern management system and flexible organizational culture. That is the only way to ensure the profitable competitive position for the enterprise in the national market and to create opportunities for its internationalization. The last two stages are characterized by problems of high complexity.

The global market is the goal of a growing number of
businesses and organizations that take care of the survival, they have to search new management methods and new forms of organization activities. The achievement of competitive advantage happens in a keen fight being the consequence of the functioning of the global market characterized by fierce competition, leading products, global technology competition, the development of international organizations such as conglomerates, multincorporate enterprises, holding companies, network and virtual enterprises. In this situation, economic agents should carefully monitor the market development, engineering and technology in order to anticipate the behavior of customers and competitors. Their goal is to develop and implement high-priced programs and strategic steps, both at their own expense and with the assistance of extraneous capital. This means that the competitiveness of each enterprise depends on the ability to generate new products quickly and sell them on the global market.

In conclusion, the analysis of the level of the enterprise's competitive position (macroeconomic, industry-specific, enterprise level) involves the clarification of factors that impact more or less on its competitiveness. These factors are the starting point for developing the strategic vector of the enterprise's development, as only the enterprise that can adapt to changes takes advantage of flexible formation of production and distribution processes and is able to compete successfully in the international market. The emergence of the new type of competition (global hyper-competition) dictates the need for market participants to search for new forms of efficient operation, adapted to the conditions of aggressive global competition.

The prime factor in achieving competitive advantage is to create a team of managers and innovators who are highly interested in obtaining the results, and are able to implement the adopted plans and strategic programs. For efficient activity of managers and employees there should be the appropriate control system, namely:

- innovative - adaptable - elastic - efficient - prompt [14].

It should also be noted that there is no universal strategy. The successful strategy is the strategy consistent with the conditions of the defined industry sector, experience and capital of the defined enterprise. Not only goods compete with each other, but also the strategy of market activities of enterprises and their managers, executive systems and working groups [15].

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