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# THEORETICAL ASPECTS DEFINITION OF THE POTENTIAL COMPETITIVENESS OF ENTERPRISES

**Formulation of the problem.** Determining the level of competitiveness is the basis for developing the strategy and tactics of the enterprise market, a reasonable choice to increase the manufacturability and quality of products. A characteristic feature of modern competitive relationship is the consumer market dominance when the effective conduct of competitive rivalry must have certain advantages over competitors.

The achievement of sustainable development of enterprises is driven by the need of deep and comprehensive study on improving their competitiveness in both domestic and foreign markets in modern conditions. The most effective means to ensure the competitiveness of enterprises is to determine the resources that are aimed at increasing the capacity of the company.

Analysis of recent research. The issues related to the potential competition and competitiveness of enterprises are devoted to the works of scholars such as A. Amosha [1], I. Bulyeyev [16], A. Elec [9], P. Turcan [10], Yuzvak L. [5] and others. In their writings, they conducted studies of different approaches to identify and develop proposals to increase capacity and competitive advantage of enterprises. However, lack of theoretical and practical study of these issues leads to further their research.

The aim of the article is to study the concepts of "potential" and "competitive enterprise" and aspects of their interpretation.

The main material research. The main component of the success of companies in today's market conditions is to maintain their high level of competitiveness. To ensure the development of enterprises in the increasingly competitive both on domestic and foreign markets is a priority issue enhance their competitiveness potential.

Basis for competitive advantage is the formation of the system of factors and conditions of success of implementation, i.e. the presence of potential competitiveness.

Such scholars as I. T. Balabanov [2], I. P. Sydorchuk [3], V. I. Zakharchenko, N. N. Korsikovoyi, M. M. Merkulov [4], A. B. Borisov [5] define the essence of the term «potential» as a set of resources that can be attracted to the activity. A number of research scientists

such as V. Chaban [6] potential is defined as the ability and willingness to operate. As a willingness and ability to develop, the potential is determined by such scholars as L. I. Fedulova [7], V. V. Stadnyk and M. A. Yohna [8].

The competitiveness serves a key factor in the success of enterprises. Considering the problem of competitiveness of enterprises in modern conditions of operation, it should be noted that a single, generally accepted understanding of the term does not exist. Scientists depending on affiliation to a particular scientific school differently interpret this concept. The most common definitions of "competitiveness" are shown in table 1.

Several major aspects of the definition of "competitiveness" are based on the analysis of scientific literature.

Some scholars, namely, A. P. Elec, E. V. Bogdan, S. M. Turcan, consider competitiveness as comprehensive comparative description of the company. They note that the competitiveness reflects the totality of a competitive and harmonious development of the company.

As a result of the company effectiveness the competitiveness is considered by such scientists as I. P. Bulyeyev, E. I. Bulyeyev, M. V. Vereskyun. They note that competitiveness is the result of effective business enterprise on a competitive market.

Scientists O. D. Hudzynskyy, S. M. Sudomyr, T. O. Hurenko, L. Yuzvak consider competitiveness as a result of the implementation of competitive strategies. From their perspective, the ability of competitiveness for economic development through the development and implementation of competitive strategies.

Competitiveness is defined as competitive potential by the definitions of I. S. Golovchenko-Marchenko, E. A. Maslyaev. They believe competitiveness to be the ability to search and identify potential reserves competitive with limited resources.

Consequently, the ground of the study note that the competitiveness of enterprises linked to the presence of certain features, and presence capabilities, in turn, is one of the necessary conditions that ensure the appropriate level of competitive advantage.

The stages of building the enterprise competitiveness are shown in fig. 1.

Existing approaches to the definition of «competitiveness»

approaches to the definition of «competitiveness»
The economic essence
This is a complex multidimensional concept, which means competition, fight for the best
results, obtaining competitive advantage through the effective use of all available resources,
production and sale of competitive products and profit from the efficient conduct of business.
Complex characteristics of the enterprise system, which determines its ability to meet the
market, competitors businesses through the effective use of available resources (including
priority is personnel), production and sale of competitive products and profit from the effi-
cient conduct of business.
It is recognized as the market formed and implemented competitive socio-economic system,
which is materialized in the form of goods or services. It can be defined in the operational
activities in the implementation of strategies and in the future for substantiation of possible
situations and strategies
This is a real potential and ability of the enterprise to actively compete, resist the influence
of environmental factors, to make and sell competitive products and / or services, effective
operations in market conditions.
This is the company's ability to use their competitive potential effectively, while maintaining
its position in a competitive market or expand market sector occupied permanently to search
and efficiently implement competitive potential reserves discovered with limited resources.
This is a set of properties that distinguishes it from other entities highest degree of satisfac-
tion with their goods (works, services) needs, your performance, dynamic ability and adapt
to market conditions, the ability to economic development through the development and im-
plementation of competition strategies.
The ability to build and use management group synergies effectively, while maintaining or
expanding their market presence and meanwhile maintaining or increasing their market
value.
This is a possibility of effective economic activity and its practical realization profitable in a
competitive market.

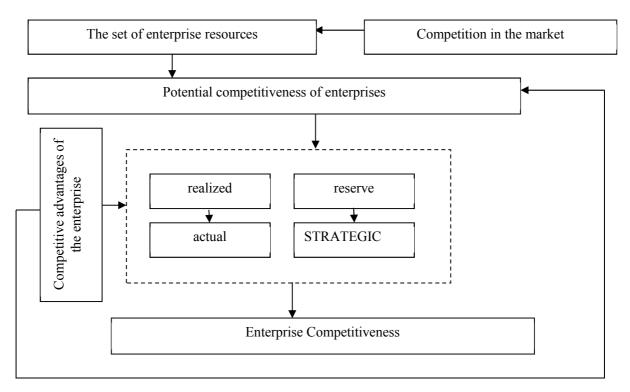


Fig. 1. Stages capacity building competitiveness Company

The potential competitiveness of the enterprise lies in its ability and capabilities to implement effective socio-economic activities in a competitive environment, both in the domestic and foreign market. Abilities and divided into used (implemented) and potential (reserved).

The core competencies are the basis for capacity building enterprise competitiveness, which are defined as a set of competitive advantages in strategically important areas of functional activity. The degree of realization of competitive advantages determines the actual and strategic competitiveness, emerging implemented and reserve potential competitiveness.

The potential competitiveness of enterprises is formed by various sources of its resources. Despite the difference in their contribution, they are important for capacity building competitiveness. Availability of resources and reserves, involved and not involved in the business activities of the company is necessary but not sufficient condition for its potential competitiveness. For this purpose the company must have the sufficient volume of total resources, which form its potential competitiveness.

Thus, under the potential competitiveness of enterprises should be understood as a set of enterprise resources, forming capabilities under the influence of competition and determine the presence of actual competitive advantages that justify the directions of further development of the enterprise in the long run compared with competitors in the market.

Thus, the results of the studies make it possible to argue that the category of "potential competitiveness" inherent the following properties (fig. 2):

- Adaptability to changes in the external environment and internal market:
- Self-regulation and self-development of the internal environment of the enterprise;
- Flexibility to adapt to new competitive factors and the existing conditions of the enterprise;
- Stability, which is due to an increase in the resources involved in the circulation of the company and ensure its effectiveness.

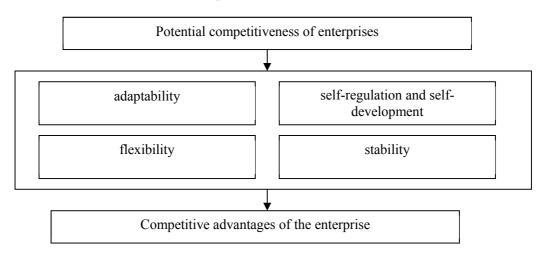


Fig. 2. Properties of enterprises' potential competitiveness

The potential competitiveness of enterprises serves as the object structure, ie separating it into its component parts. Presentation of the structure of potential competitiveness of the enterprise is characterized no less diversity than his interpretation of nature.

The structure of the potential competitiveness of the enterprise, which is shown in fig. 3, includes the following components:

- Marketing;
- Innovation:
- Resource;
- Financial;
- Human resources;
- Information.

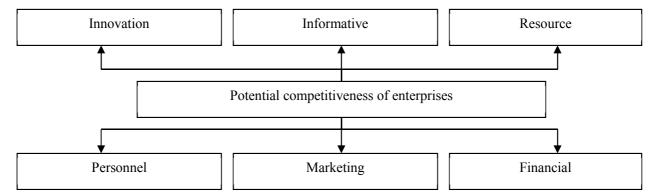


Fig. 3. Structural components of potential competitiveness of enterprises

The marketing potential determines the level of readiness of the enterprise to a particular activity, solving a given circle of problems. Evaluation of potential marketing allows the company to understand how well used features of the marketing department, which weaknesses that do not allow sufficiently implement management decisions in marketing.

Innovative potential is manifested in the fact that on the one hand it gives the company a chance to win the competition, pushing competitors out of the market, gain competitive advantage, and on the other, forming business reputation of the company as innovative and active participant in the market. Enhancing innovation depends on the efficiency of formation and use of innovative capacity and its strengthening is determinant of innovative enterprises.

The resource potential serves to be the material basis of production enterprises, has the goal orientation, and provides continuity and efficiency of its operations. This potential is realized in the course of the company, which zaklechayetsya in the revitalization of targeting, resulting in increasing its competitive advantages.

Financial strength allows you to identify the most important problems (bottlenecks) in the industrial, economic and financial activity, establish their causes, identify ways to increase the positive financial result, which is essential for sustainable development and increased competitiveness.

Human resources include not only the staff, but also a level compatible frames opportunities for competitive advantage in the market. On the one hand, it defines the possible participation of the employee (or all members of the collective enterprises) in industrial activity, on the other hand – is a characteristic of an employee, which reflects the degree of his abilities, fitness and training and qualifications.

Information potential is a set of tools, methods, conditions, and software that can receive, store, analyze, summarize and update the information necessary to adapt the company to a competitive market.

Internal structural components, that have been indicated, form the competitive capacity of the enterprise. These potentials are in relationship to each other, so the resource potential forms the material basis for the development and marketing of innovative potential and nonmaterial base for human resources.

Conclusions. In modern conditions of economic development providing the stability conditions can be performed with the capacity of building enterprise competitiveness, based on a detection of competitive advantage. And the ability to win in the competition depends on the internal competitive capabilities of enterprise and external conditions of its activities. The external environment of the enterprise is being investigated in order to identify trends or conditions that may affect its ability to maintain the proper level of competitiveness both in the domestic and foreign markets.

Thus, the potential level of competitiveness should be evaluated to identify possible prospects for development and competitiveness of enterprises.

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### Коритько Т. Ю., Крук О. М. Теоретичні аспекти визначення потенціалу конкурентоспроможності підприємства

У статті визначено різні теоретичні підходи до трактування понять «потенціал» та «конкуренто- спроможність підприємства». На підгрунті проведеного дослідження запропоновано етапи формування потенціалу конкурентоспроможності підприємства. Доведено, що під потенціалом конкурентоспроможності підприємства слід розуміти сукупність ресурсів підприємства, що утворюють можливості під впливом конкуренції та визначають наявність фактичних конкурентних переваг, які обґрунтовують напрямки подальшого розвитку підприємства в довгостроковій перспективі порівняно з конкурентами на ринку. Обґрунтовано властивості, які притаманні категорії «потенціал конкурентоспроможність підприємства».

Визначено структурні складові потенціалу конкурентоспроможності підприємства, які формують конкурентні можливості та переваги підприємства і знаходяться у взаємозв'язку один із одним.

Ключові слова: потенціал, конкурентоспроможність, підприємство, маркетинговий потенціал, фінансовий потенціал, інформаційний потенціал, інноваційний потенціал, ресурсний потенціал, кадровий потенціал.

### Корытько Т. Ю., Крук Е. Н. Теоретические аспекты определения потенциала конкурентоспособности предприятия

В статье рассмотрены различные теоретические подходы к сущности понятий «потенциал» и «конкурентоспособность предприятия». На основе проведенного исследования предложены этапы

формирования потенциала конкурентоспособности предприятия. Доказано, что под потенциалом конкурентоспособности предприятия следует понимать совокупность ресурсов предприятия, которые формируют возможности под воздействием конкуренции и определяют наличие фактических конкуренных преимуществ, обосновывающие направления дальнейшего развития предприятия в долгосрочной перспективе по сравнению с конкурентами на рынке. Обоснованы свойства, присущие категории «потенциал конкурентоспособности предприятия».

Определены структурные составляющие потенциала конкурентоспособности предприятия, которые формируют конкурентные возможности и преимущества предприятия, а также находятся во взаимосвязи друг с другом.

Ключевые слова: потенциал, конкурентоспособность, предприятие, маркетинговый потенциал, финансовый потенциал, информационный потенциал, инновационный потенциал, ресурсный потенциал, кадровый потенциал.

## Korytko T., Kruk E. Theoretical aspects definition of the potential competitiveness of enterprises

The different theoretical approaches to the interpretation of the concepts of «potential» and «competitiveness of company» are indentified in this article. On the ground of the research proposed stages of potential competitiveness. It is proved that under the potential competitiveness of enterprises should be understood as a set of enterprise resources, forming capabilities under the influence of competition and determine the presence of actual competitive advantages that justify the directions of further development of the enterprise in the long run compared with competitors in the market. Grounded properties that are inherent to the category of «potential competitiveness of enterprises».

The structural components of the potential competitiveness of enterprises, which form the competitive opportunities and benefits of the company and are in relationship to each other, are identified in the article.

*Keywords:* potential, competitiveness, enterprise, marketing potential, financial potential, informative potential, innovative potential, resource potential, skilled potential.

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