

L. Byvsheva,
PhD (Economics),

O. Kondratenko,
Donbass State Machine Building Academy, Kramatorsk

REAL ESTATE AS AN EFFICIENT INSTRUMENT FOR INNOVATIVE ACTIVITIES OF INDUSTRIAL ENTERPRISES IN MODERN CONDITIONS

Statement of the problem. In the conditions of modern economic development in the activity of industrial enterprises of Ukraine there is a need to increase the level of investment potential, to develop ways and mechanisms for ensuring their sustainable development and activity, using the tools of transformational change. Modern trends of innovation development of Ukrainian industrial enterprises characterize the country's position in international ratings, in particular, in the annual Global Innovation Index 2014, published by the Cornell University, the business school INSEAD and the World Intellectual Property Organization, Ukraine ranked 63rd. The value of the Ukrainian innovation index has peaked in the last four years and amounted to 36.3 points, which exceeds the average index among low-income countries below the average (29.5), but does not correspond to the average European level (47.2). However, Bloomberg ranked Ukraine among the top 50 most innovative countries in the world [1].

One of the modern effective tools for innovation management by industrial enterprises is the reengineering of business processes, which is especially relevant in the Ukrainian economy, where there is a need for rapid adaptation to the effects of unstable environmental factors. However, the implementation of transformational measures, including the radical nature, which is the reengineering of business processes, requires effective investment support for the implementation of reengineering measures. An analysis of the economic performance of domestic machine-building enterprises for 2011-2015 found that more than one third of enterprises are unprofitable (39.1%), while the average level of profitability in the industry varies at the level of 1.2% in 2015 [2]. This is due to the fact that the majority of domestic machine-building enterprises feel shortage of working capital, limited credit resources, therefore necessary tools that will ensure cost minimization, strengthening of competitive advantages of management. Such conditions stimulate the increase of the efficiency of business processes of enterprise management through the use of tools for reengineering. Reengineering, aimed at redesigning business processes to achieve radical improvement of industrial enterprises, is one of the most advanced and effective tools of this type.

Analysis of recent research and publications. The research and development of methodological approaches to the introduction of reengineering at indus-

trial enterprises is dedicated to the work of famous scientists, namely: V. Andrienko, L. Balabanova, A. Voronkov, V. Gerasimchuk, V. Grinev, V. Pastukhova, O. Pakhomov, V. Tupkalo, Z. Shershnev, M. Chernenko and others. Despite the broad coverage of reengineering issues in modern scientific work, they are largely of a general nature and are not systematized with regard to approaches and methods for realizing business process reengineering.

The purpose of the article is to determine the need for implementation of business process reengineering at modern industrial enterprises, depending on the requirements of the environment.

Presentation of the main research material. Modern enterprises operate in an aggressive and complex environment that is rapidly changing. This causes, on the one hand, the need for adaptation to it, on the other - taking into account current trends and identifying priority areas of change in the enterprise management system. In particular, the main factors driving them to change are today: acute competition in most areas of activity; globalization processes that lead to the fact that competition takes place on a global scale, rapid technical and technological changes in the conditions of intensification of innovation processes. These factors form an unstable and unpredictable environment, the functioning of which requires constant and often radical changes. Under these conditions, there is a need to rebuild the entire enterprise management system in order to ensure its effective functioning and radical improvement of activities, which is why most advantageous is the use of the business process reengineering (RBP) method. The concept of RBP is based on a process-oriented approach to enterprise management. Each process thus has its own goal, which is the criterion of its efficiency – how optimally this process leads to its achievement. Business process reengineering is an integrated method that allows you to set up an enterprise to implement strategic goals and objectives by optimizing the execution of units by all its functions and operations.

Therefore, its application will be optimized in accordance with the company's strategy, to ensure business transparency for owners and managers; efficiently manage operational activities; make processes predictable; formalize the processes for the next automation. Reengineering involves shifting the emphasis of in-firm management with a specialization on interfacial busi-

ness processes, such as, for example, developing a new product or service, executing customer orders, after-sales service, and more.

The purpose of reengineering business processes is to integrate and systematic modeling and reorganization of material, financial, information flows, aimed at simplifying the organizational structure, redistributing and minimizing the use of various resources, reducing the terms of realization of customer needs, improving the quality of their services. Reengineering business processes of an industrial enterprise provides the following tasks:

1) determination of the optimal sequence of executed functions, which leads to a reduction of the cycle of production and sale of goods, resulting in an increase in the turnover of capital and growth of all economic indicators of the enterprise;

2) optimizing the use of resources in a variety of business processes, which minimizes the costs of production and circulation and provides the optimal combination of different activities;

3) building adaptive business processes aimed at rapid adaptation to change the needs of end-users of products, production technologies, and the behavior of competitors on market and, accordingly, improving the quality of customer service in the conditions of dynamic environment; definition of rational schemes of interaction with partners and clients, and, as a consequence, profit growth, optimization of financial flows. Figure 1 shows the factors of reengineering, which ensure the success and efficiency of business processes of an industrial enterprise.

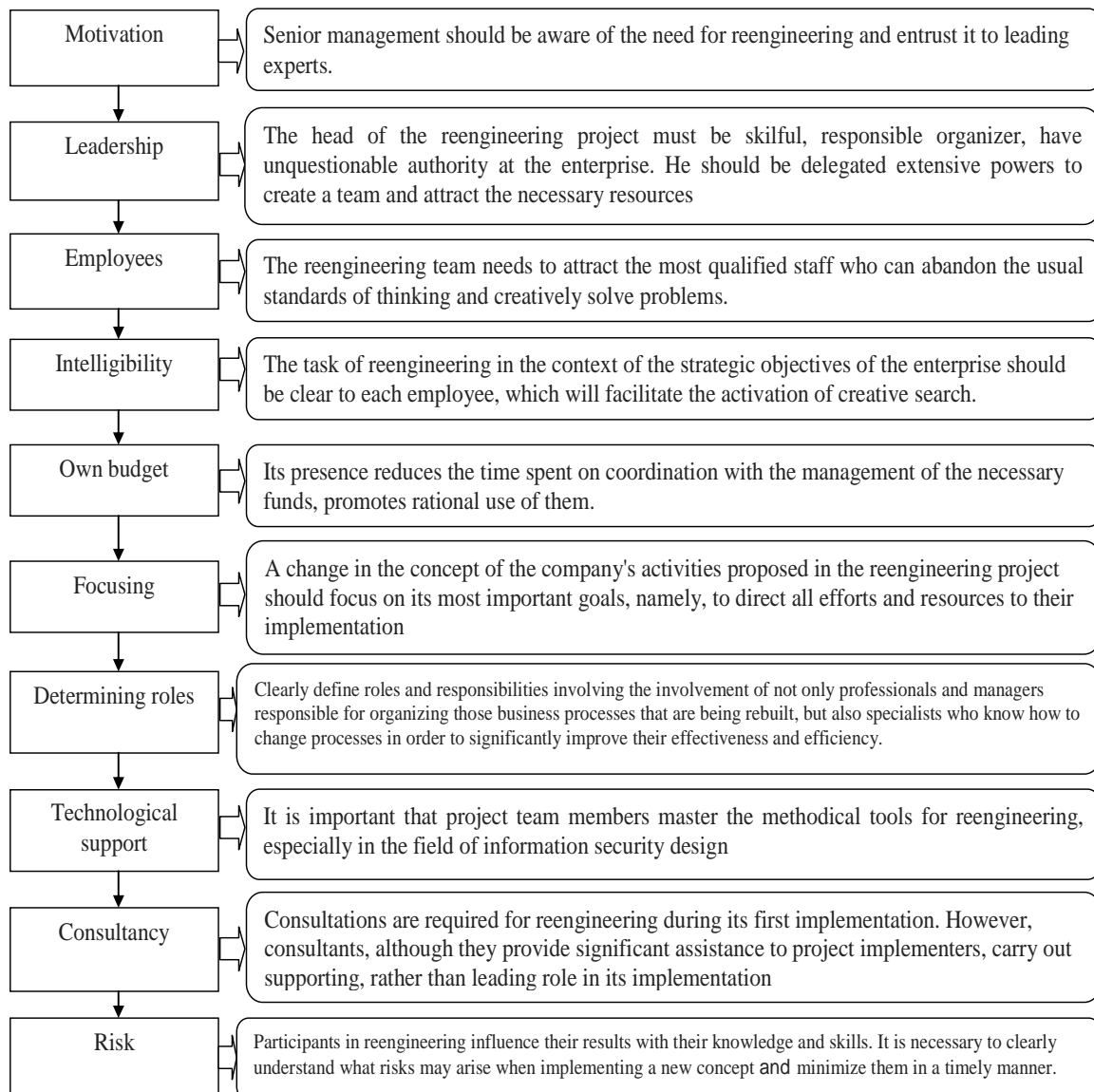


Fig. 1. Reengineering factors that ensure the success and efficiency of business processes of an industrial enterprise

The main motivating factors for carrying out RBP at the enterprise (in the conditions of existing potential opportunities) can be: introduction of information technologies, poor state of socio-economic indicators of the operation of the enterprise, irrationality of the organizational structure of management and inefficiency of the organization of work, etc. Most modern managers are convinced that the use of reengineering in enterprises in Ukraine is not a logical and ineffective tool for changes in the current conditions of their management. Partly agreeing with this position in the sense of the existing capabilities of the enterprise, it is worth pointing out that the benefits of its application is that the RBP highlights the setting of new goals and the use of new management methods, dictated by the current situational factors of their functioning and development, namely: a sharp decrease in the time spent on performing functions; reduction of personnel and costs of performing functions; the global challenges of socio-economic processes, including work with clients and partners in any country; increase of staff mobility level; accelerated advancement of new technologies and the formation of the information society.

At the same time, the RBP is based on and executed by the leaders of such key tasks [3]: constant improvement of the quality of services, in contrast to increased profits; transformation and dynamic improvement of or-

ganization of work; concentration of attention on qualitative indicators of the effectiveness of managerial processes; formation of the opportunity for employees to be proud of the results of their work; reduction of expenses for enterprise services, etc.

It should be noted that the development of LBP processes in Ukraine is possible only with the establishment of a thorough methodological and instrumental basis with the consolidated efforts of state authorities and other small business entrepreneurs. In this direction, for the development and expansion of RBP in Ukraine, it is necessary to develop a mechanism for its implementation on domestic enterprises in the following areas: first, to prepare the appropriate specialists in the field of reengineering; secondly, to establish centers of the RBP and to develop a legislative and regulatory framework that will regulate their activities. While substantiating the essence and tasks of the functioning of such centers using the conceptual and methodological approach, domestic scientists have been asked to create them on the basis of the Ukrainian Fund for Entrepreneurship Support [3]. Accordingly, the mechanism of implementation of the domestic RBP system is shown in Figure 2. The training of specialists in the field of LBP can be carried out by higher educational institutions at the master's educational and professional programs "Business Process Management of the Enterprise" and "Business Process Reengineering".

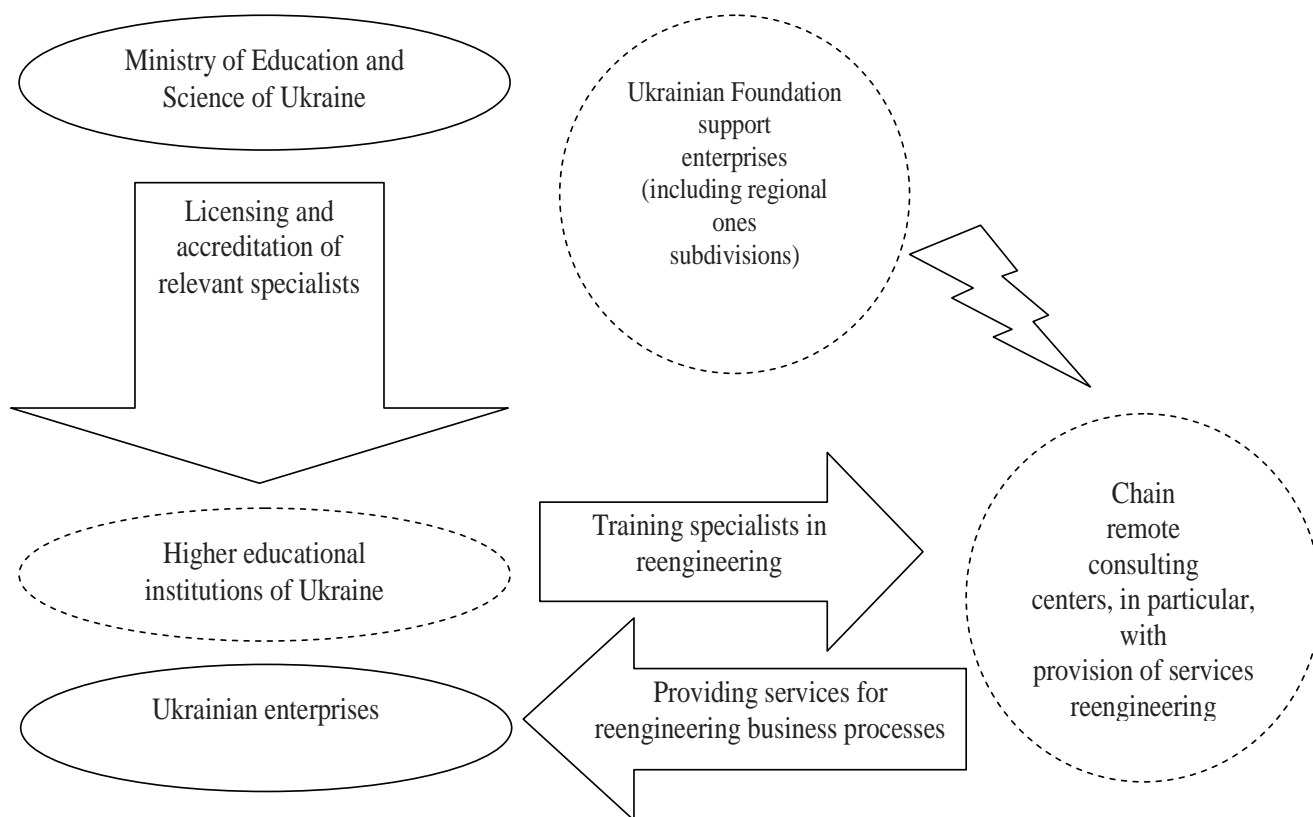


Fig. 2. Mechanism for the development of reengineering business processes in Ukraine [3]

A prerequisite for such training is to increase licensed volumes of government orders for this specialization. As a result of training of such specialists, the market will receive such specialists as business analysts (RBP specialists). The use of RBPs in the activities of enterprises of Ukraine should be carried out in order to optimize the financial, economic, organizational, technical and human resources of the enterprise. In turn, the balancing of system-forming business processes of enterprises will allow to increase quantitative and qualitative indicators of their provision of services and production, as well as increase the level of competitiveness and provide favorable conditions for the introduction and development of entrepreneurship in Ukraine.

The success of reengineering business processes is due to certain factors: in the first it is connected with the rapid innovations in the enterprises, since radicalness and rapidity determine the separation of the enterprise from the situation in which it is at this stage. Accordingly, in order to avoid conflicts in the enterprise, it is necessary that its staff be configured for such rapid and radical changes in the nature of its work, the definition of the scope of work, responsibility and customization for team work; secondly, the success of the implementation of reengineering determines the formation of each employee's unified understanding of the priority future for the company's personal contribution to its achievement; Thirdly, the creation of the necessary environment and infrastructure for training, professional growth and development of creativity of workers plays an important role; Fourthly, reengineering has been closely interacting with information technologies since its inception, which, in turn, enables the transformation of the processes that constitute the essence of reengineering. This interaction is a symbiosis: without reengineering, information technology almost does not bring results, and without information technology reengineering is almost impossible. It is possible to distinguish the following stages of implementation of reengineering business processes of innovation activity of industrial enterprises:

- development of the project and the allocation of business processes (defined goals and objectives of the project, formed a team of reengineering, defined the concept of reengineering);

- documentation of business processes (at this stage, the construction of graphic models of business processes is carried out on the basis of the proposed method of their documentation, chronometric components of operations of business processes); comparative analysis of business processes (business processes analysis is conducted in order to compare them with the business processes of the leading structural divisions of the enterprise or competitors);

- production of the image of the future company (this stage is intended to form a system of views on a new company, in accordance with its goals and capabilities);

- analysis of problems and redesign of business processes and technologies (identification of problem areas of business processes);

- introduction of new business processes, technologies and evaluation of results (at this stage, it is necessary to compare the results of the effectiveness of business processes with planned criteria at the beginning of reengineering, taking into account expenses by type of functional activity) [4].

In order to see bottlenecks in the process of introducing reengineering of the enterprise innovation activity and to effectively manage them, it is necessary to link the implementation of certain business processes with its target strategic indicators. To do this, a comparison of the strategic goals and objectives of the enterprise with the inputs and outputs of innovative business processes of reengineering, reveals the dependence of the results of the enterprise on the results of the implementation of innovative business processes. There is a need to fix existing business processes in order to evaluate their effectiveness, otherwise, in the future, there may be significant costs due to inefficient work of employees, violation of obligations under contracts, the need for restructuring, and so on. This causes both serious financial costs and loss of the image of the enterprise.

Thus, the use of business process reengineering as an innovative management tool for industrial enterprises can provide additional resources (financial, personnel, technical, etc.) by investing them in basic production, as well as improving the consistency of procedures, methods and instrumental management support, its adaptation, minimization cost and time costs.

Conclusions. Summing up, it can be argued that it is necessary to introduce RBPs at Ukrainian enterprises for their fundamental changes and to bring them to a more qualitative level of functioning. Taking into account the above, changes can be caused by a number of reasons and managers of enterprises should be ready for their implementation. For the further development of RBP in Ukraine, a mechanism for implementation has been proposed, which will allow to increase the number of specialists of this sphere and the awareness of enterprises of Ukraine about this method of managing processes in organizations.

Literature

1. **Global** innovation index 2014. URL: <https://www.globalinnovationindex.org/content.aspx?page=gii-home>.
2. **Дідух В.В.** Реінжиніринг бізнес-процесів управління машинобудівних підприємств: автореф. дис. на здобуття наук. ступеня канд. екон. наук. Київ, 2016. 24 с.
3. **Когут Ю. О.** Модель реінжинірингу бізнес-процесів підприємства. *Механізм регулювання економіки*. 2014. № 4. С. 97-112.
4. **Гончарова О.** Реінжиніринг бізнес-процесів як метод процесного управління. *Вісник Київського національного університету імені Тараса Шевченка*. 2013. № 10. С.78-82.
5. **Колос**

І. В. Реінжиніринг бізнес-процесів підприємств: теоретичний аспект. *Сталий розвиток економіки*. 2014. № 5. С. 299-305. 6. **Таранюк Л.М., Запорожченко О.М.** Організаційні засади проведення реінжинірингу бізнес-процесів підприємств. *Механізм регулювання економіки*. 2016. № 4. С. 122-125. 7. **Хаммер М., Чампи Дж.** Реінжиніринг корпорації. Манифест революції в бізнесі / пер. с англ. Ю. Е. Корнилович. – [2-е изд.]. Москва: Манн, Иванов и Фербер, 2007. 288 с. 8. **Шевченко Н.Ю., Мала Ю.В.** Управління інноваційною діяльністю підприємства: концепція та методи прийняття рішень. *Економічний вісник Донбасу*. 2018. № 2 (52). С. 151-154.

References

1. Global innovation index 2014. Retrieved from: <https://www.globalinnovationindex.org/content.aspx?page=gii-home>.
2. Didukh V.V. (2016). Reinzhyrnyrnh biznes-protseviv upravlinnia mashynobudivnykh pidpryemstv [Reengineering of business processes of management of machine-building enterprises]. *Extended abstract of candidate's thesis*. Kyiv [in Ukrainian].
3. Kohut Yu. O. (2014). Model reinzhyrnyrnhu biznes-protseviv pidpryemstva. [Model for reengineering business processes of the enterprise.]. *Mekhanizm rehuliuвання ekonomiky – Mechanism of regulation of the economy*, 4, pp. 97-112 [in Ukrainian].
4. Honcharova O. (2013). Reinzhyrnyrnh biznes-protseviv yak metod protseivnoho upravlinnia [Reengineering of business processes as a method of process control]. *Visnyk Kyivskoho natsionalnoho universytetu imeni Tarasa Shevchenka – Bulletin of the Taras Shevchenko National University of Kyiv*, 10, pp.78-82 [in Ukrainian].
5. Kolos I. V. (2014). Reinzhyrnyrnh biznes-protseviv pidpryemstv: teoretychnyi aspekt [Reengineering business processes of enterprises: theoretical aspect]. *Stalyi rozvytok ekonomiky – Sustainable development of the economy*, 5, pp. 299-305 [in Ukrainian].
6. Taraniuk L.M., Zaporozhchenko O.M. Orhanizatsiini zasady provedennia reinzhyrnyrnhu biznes-protseviv pidpryemstv [Organizational fundamentals of reengineering business processes of enterprises]. *Mekhanizm rehuliuвання ekonomiky – Mechanism of regulation of the economy*, 4, pp. 122-125 [in Ukrainian].
7. Khammer M., Champi Dzh. (2007). Reinzhyrnyrnh korporatsii. Manifest revolutsii v biznese [Reengineering Corporation. Manifesto of the revolution in business]. 2nd ed. Moscow: Mann, Ivanov and Ferber [in Russian].
8. Shevchenko N.Yu., Mala Yu.V. (2018). Upravlinnia innovatsiinoiu diialnistiu pidpryemstva: kontsepsiia ta metody pryiniattia rishen [Management by innovative activity of enterprise: conception and methods of making decision]. *Ekonomichnyi visnyk Donbasu – Economic Herald of the Donbas*, 2 (52), pp. 151-154 [in Ukrainian].

Бившева Л. О., Кондратенко О. О. Реінжиніринг як ефективний інструмент інноваційної діяльності промислових підприємств в сучасних умовах

У статті визначено чинники реінжинірингу, що забезпечують успіх та ефективність бізнес-процесів промислового підприємства. Обґрунтовано необхідність впровадження реінжинірингу бізнес-процесів на сучасних промислових підприємствах в залежності від вимог зовнішнього середовища. Для подальшого розвитку реінжинірингу бізнес-процесів в Україні запропоновано механізм реалізації, що дозволить збільшити кількість фахівців даної сфери та проінформованість підприємств України про даний метод управління процесами в організаціях.

Ключові слова: реінжиніринг бізнес-процесів, промислове підприємство, інноваційна діяльність, інформаційний потік, інструмент управління, глобалізаційні процеси.

Бывшева Л. А., Кондратенко О. А. Реинжиниринг как эффективный инструмент инновационной деятельности промышленных предприятий в современных условиях

В статье определены факторы реинжиниринга, которые обеспечивают успех и эффективность бизнес-процессов промышленного предприятия. Обоснована необходимость внедрения реинжиниринга бизнес-процессов на современных промышленных предприятиях в зависимости от требований внешней среды. Для дальнейшего развития реинжиниринга бизнес-процессов в Украине предложен механизм реализации, который позволит увеличить количество специалистов данной сферы и протнформированность предприятий Украины о данном методе управления процессами в организациях.

Ключевые слова: реинжиниринг бизнес-процессов, промышленное предприятие, инновационная деятельность, информационный поток, инструмент управления, глобализационные процессы.

Byvsheva L., Kondratenko O. Real estate as an efficient instrument for innovative activities of industrial enterprises in modern conditions

The article defines the factors of reengineering, which ensure the success and efficiency of business processes of an industrial enterprise. The necessity of implementation of reengineering of business processes in modern industrial enterprises according to the requirements of the environment is substantiated. In order to further develop the reengineering of business processes in Ukraine, a mechanism of implementation is proposed that will allow increasing the number of specialists in the given field and the awareness of enterprises of Ukraine about this method of managing processes in organizations.

Keywords: reengineering of business processes, industrial enterprise, innovation activity, information flow, management tool, globalization processes.

Received by the editors: 18.07.2018
and final form 14.12.2018