

Sergiy Ilyashenko

Problems of the development of Ukrainian enterprises in the transition economy.

The transition to the market economy and accordingly to new economical relations supposes for enterprises to find consumers for their products by themselves, to orient their activity toward the satisfaction of the consumers' needs and requirements, furthermore it's necessary to do this better and more operatively than existing and potential competitors. In part, this requires the reorientation of the whole planning system, producing and sales systems according to the concept of marketing which was formulated by F. Cotler: "The key to the reaching of all goals of the organization is exposure of needs and requirements of target markets and providing of necessary satisfaction with more effective and more productive activities than competitors do". [1]

At present time, it becomes very important to find (to form) target markets and to estimate their attraction for the certain enterprises acting in the certain market situation taking into account all possible ways of its development. The process of forming of target market follows the market researches which are oriented to the market situation analysis and estimation of all market opportunities for the enterprise development including opportunities of resources supply, first of all it means financial resources.

It's evident now (and many scientists and experts point it out) that the way out of crisis for the most Ukrainian enterprises concerns the production and sale of new products, which are not only technically perfect and have high quality but also are needed for the consumers, satisfy their requirements and give enterprise the possibility to realize to the maximum all its comparative advantages during the production process. Thus, E. Kondratenko [2], summarizing the experience of American experts, pointed that 49% of enterprises leading in their industries (as for the profit rates and rate of production) owe their successes to the development and sales of new products oriented to satisfaction of consumers needs. At the same time, enterprises-outsiders get only 11% of all sales from new products.

Ukrainian reality shows the same. According to the source [3] in 1998 more than 90% of all enterprises that introduced innovations had the increase of sales and market expansion. 55% of all enterprises-innovators replaces old technology by new one, more than 40% decreased material capacity and energy capacity of their products, 32% introduced resources-economy and environmentally friendly technologies.

However, as a whole in Ukraine (according to the data of Ukrainian Statistics Committee [4]) there is a trend to decreasing of the amount of new products, especially industrial products. From 1990 to 1998 the amount of names of new industrial products were created decreased from 593 to 268, the amount of principally new introduced products decreased from 732 to 265, the amount of products were taken out of production, outmoded ones decreased from 635 to 35.

In 1998 more than 80% of all industrial enterprises in Ukraine were not develop any innovative activities and the tendency to the increasing of their part still exists. The technical and technological level of development decreases as well. The proof is decreasing of the amount of industrial objects were used in the production process, i.e. inventions (patents) – from 6087 in 1993 to 1614 in 1998 [4, 5]. In spite of the significant scientific and technical potential, the influence of science and scientific development on the raising of competitive strength of Ukrainian enterprises is almost not noticeable. However, according to the amount of scientists and engineers who work in the field on innovations per million of residents, Ukraine is the first country in the world (6761 of specialists per million of residents) and it is much higher than Japan (5777 specialists per million residents) and the USA (3732 of specialists per million residents) [6].

The really existing decrease in production of traditional Ukrainian goods explains the necessity for the concentration of all efforts of Ukrainian enterprises on the production of new goods and services (innovations). From 1991 to 1998 the volume of industrial output decreased 51%, the volume of agricultural output decreased 47,9% [4]. At the same time, the rest of output doesn't find the demand on the both internal and external markets, and the reason for the second is mostly the competitive weakness.

The author made the analysis of products of enterprises in Sumy region. This analysis showed that their products are competitively weak as for many positions. As an example we can chose chemical pumps of 'С 50-32-125' group made on the joint-stock company 'СМНПО им. Фрунзе'. Those pumps have much higher price with the almost the same quality comparing with competitors pumps. Thus the price of production of the pump of K-type on the company 'СМНПО им. Фрунзе' is higher than prices of Russian competitors: 'ОАО «ЭНА»' in Schelkovo has in 7.5 times lower price, 'ЗАО «Катайский насосный завод»' in Kataisk has in 13.2 times lower price, 'АООТ «Насосный завод»' in Ekaterinburg has in SDM.2 times lower price. It's difficult to expect the success in such situation.

For the period from 1990 to 1998 the decreasing of new industrial products output as a whole in Ukraine was accompanied by the increasing of the part of unprofitable enterprises (up to 54%). Naturally the increasing of the part of unprofitable enterprises caused not only by the decreasing of the amount of innovations but there is such a trend.

In such situation, there is the only acceptable way out. It is the enterprise orientation to the production of new goods and accordingly the search for the necessary investments what means the realization of innovations. Thus, according to [7], for the way out of crisis industrial enterprises need to do following: to refuse the production of not selling and uncompetitive products; to organize an effective search for new consumers, middlemen and market niches; to activate the efforts toward the market advancement of products. Russian scientists V.Sinko and B.Volder point out in their work [8] that for the way out of crisis machine building enterprises need to use the following complex of structural and management activities: respecialisation of enterprises and their adaptation to new economical conditions; repair and

modernization services of products; production orientation to the satisfaction of special consumers needs were revealed according to the market conjuncture analysis.

Taking into account mentioned above it becomes evident for the most of enterprises that it's actual and necessary to analyze the consumer market, to uncover needs and requirements and to develop new (modified) products based on analysis results and enterprise potential which will have enough rate of demand and therefore will be sold.

However, the analysis of consumers' needs and requirements is not the only and is far from to be the main source of innovations in the current level of economical development of Ukraine. O.Ustenko [9] points following as a source of new ideas of products:

- Consumers' needs and requirements analysis – 11,5%;
- Scientific and technical introductions of employees of the certain enterprise or from outside – 76,5%;
- Competitors activity analysis – 8,0%;
- Propositions from sale-middlemen – 1.0%;
- Consulting firms – 0,5%;
- Employees – 2,5%.

Analysis of these data shows that employees of certain enterprise form the most of innovative ideas basing on their own vision about what they should look like. To draw a conclusion we can assert that this is one of the main reasons of failure of many innovations as consumers needs and requirements were not taken into account during their development of were taken only through vision of developers.

We should mention that the part of ideas were accepted per the whole their amount in Ukraine is lower than 20%. For the comparing it's 68% in Japan, 52% in the USA, 45% in Sweden, and 30% in Poland. In combination with the rate of decrease of the whole amount of innovative ideas it proves the estrangement of economical prosper development.

The development of new products can follow the path of improvement of existing and producing products or the path of application and production of new (including principally new) products and both of these paths should be realized continuously. However, it's necessary to mention that the development and implementation of new products (and innovations as a whole) in the market inevitably concerns the venture which is necessary to be accounted. According to the available data [2] the part of failures in development and implementation new products in the market is 40% for the projects concerning consumer goods, 20% for projects concerning industrial goods and 18% for services. At the same time as point V.Medynsky and S.Ilmenov [10] about 50% of all costs of development and realization of innovations are the costs of unsold products and about 30% of innovations were accepted on the market soon leave it.

According to A.Durovich [11], the reasons for the commercial failures are following:

- Wrong estimation of market requirements – 32%;
- Wrong sale policy – 13%;

- Strong competition – 8%;
- Technical imperfection of new goods – 23%.

Hence, one of the main twists of the implementation of new products and innovations as a whole is the high rate of market uncertainty.

The proof of the high uncertainty is O.Ustenko data [9]. He gives the correlation between the maximum and minimum fields of operations in industries where there is orientation to the innovative type of development:

- Machine building – 4:1;
- Instrument-making – 5:1;
- Energy – 7:1;
- Chemical and petrochemical industry – 9:1;
- Building materials – 3:1;
- Light industry – 2:1;
- Food industry – 2:1.

The possible reason for such a significant dispersion is instable and sometimes unpredictable conditions.

It is especially actual today in conditions of transition economy in Ukraine when contradictory political decisions and macro-economical concepts change each other very often on the level of government and as a result custom, credit, tax and other policies change. Therefore making a decision about production of any product for the certain market (real or forming one) it's necessary to count all possible consequences of venture factors influence both factors depending on enterprise (controllable/internal) and factors out of enterprise competence (uncontrollable/external). The influence of the last factors is especially great in Ukraine.

Taking into account all mentioned above we should point out the following characteristics for the basis of selection of the variant of development for Ukrainian enterprises:

- The necessity of the high volume of researches in different fields (mostly analytical), moreover in short term and with the minimum costs but with the high standards of quality requires the availability of formalized (in ideal – formal) procedures for their development so that it will be possible to use computer systems and computer technique of information processing;
- The alternative character of selection of target market (their segments or niches) for the realization of variants of development, the necessity of accounting of many factors, variety of criteria for their estimation require unified system and criteria basis so that it will be possible to make a purposeful search and to make reasoned decisions about certain target market taking into account the whole complex of different factors including the conditions of uncertainty.

Many researchers and experts have been paying attention to the problems of analysis and development of market opportunities and have been using different methods.

The basis of formalization of the analysis of market opportunities process was founded by I. Ansoff [12] (the scale of development for products and markets). Hence, the method he proposed doesn't account the concrete definition of development variants of market opportunities within certain directions so it makes difficult to organize a purposeful search.

A. Thompson and A. J. Strickland [13] developed methods of estimation of market opportunities and systematized the characteristics of external environment (opportunities and threats) and the characteristics of enterprise (strong and weak positions in the activity) different combinations of which allow to make a conclusion about the perspectives of chosen development direction for enterprises. The list of characteristics was qualified many times according to the special field of analysis, i.e. by European Conversion Committee [14].

It's natural that even being the same in the works of different scientists the characteristics will differ for different enterprises and in certain economical situation and they need to be qualified for the special Ukrainian economical development.

Ukrainian scientists continued the development of methods of analysis of market opportunities for enterprises.

V. Gerasimchuk analyzed the problem of using marketing information system in the process of decision-making about the variant of market opportunities development [15].

A. Alymov, N. Goncharova, V. Novikov, P. Pererva, D. Chervanev, A. Yakovlev and others [16] analyzed methods of assortment management for industrial products basing on the concept of marketing (particularly, on the concept of product lifecycle). They paid special attention to the innovative market in the marketing system.

Russian scientists A. Gradov and B. Kusin developed the matrix of Saint-Petersburg national technical university, which allows to define approximately the directions of economical activity of a firm depending on the combination of characteristics of national economy and of strategic firm potential. They proposed the method of quantitative estimation of different variants of market opportunities development (strategic economical zones) [17], basing on the combination of Ansoff methods, University matrix mentioned above and the pairwise comparing of characteristics method.

Belorussian scientist A. Durovich, developing methods of Ansoff, Thompson and Strickland, proposed the method that allows to estimate approximately the value of market opportunities and threats for the certain enterprise and the probability of their realization [11].

Saying about deep research of problems of market opportunity analysis, it's necessary to point out that only A. Gradov and B. Kusin paid attention to the problem of accounting of the uncertainty factor and venture accounting in this analysis in their works. In the meantime decisions about the development of market opportunities are strategic ones especially in conditions of instability which are typical for the transition economy. Furthermore, existing methods concern only the choice of direction of development, but they don't allow to account the specificity of single variants within certain directions. But as was shown by the author [18] the diversity of possible variant is significant. Problems of recourse supplement (investment) of

different variants of market opportunities development and problems of forming of optimal structure of investments (in multicanal investment) are still not solved as well especially from the point of high efficiency within acceptable venture both for the investor and recipient.

Summing up all mentioned above we may conclude the following:

- One of the most probable way out of crisis for both enterprises and economy as a whole is innovative way and Ukraine has enough potential for its realization;
- There is an objective necessity for improvement of existing methods of grounding of development projects (mostly of the innovative one) for Ukrainian enterprises according to specific transition economy and forming the system of purposeful search, estimation and choice of its variants;
- The solution of mentioned problems will allow to orient the activity of Ukrainian enterprises to innovative way of development, making thus possible the rising of their competitor strength, long lifecycle and sustainable development within the chosen mission and accepted motivation of activity.

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Annotation.

This article contains the analysis of problems of development of Ukrainian enterprises in the conditions of unstable transition economy.