

Directions of achieving competitiveness in the global market

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Ukraine may find its place in the international division of labor and integration into the world community only through the establishment of developed industrial complex that would meet the challenges of the modern world market. The main objective of industrial and foreign policy of Ukraine should become the development of measures and macroeconomic conditions for increasing of competitiveness. One of the ways for industrial and innovation policy is the development of different forms of management, such as holdings, financial and industrial groups, multinational corporations (MNC). These forms have proven their effectiveness and competitiveness on the global level. Therefore, the promotion of forming of various institutional forms and facilitation of activity of foreign institutions in Ukraine will create an effective basis for developing their own productive potential and increasing competitiveness of industrial production.

Achieving global competitiveness by companies, which are focused on winning the world markets, is one of the propelling factors that affects the global production system and related infrastructure of the global economy, the international mobility of productive resources, the functioning of global information and communication networks. Internationalization of production in the planetary scale is more distinctive feature of international monopolization of economic life, even than internationalization of markets. Moreover, global market subjects to it. This has necessitated corresponding changes in organizational forms of production, that is aimed at strengthening technical and production capabilities of large capital and its financial base, improvement of trade and supply, development of industrial competitiveness in the global economy.

Modern leading international companies, operating in different areas of processing, mining, petrochemical, oil and gas industry, electronics and machinery, intellectual sphere coordinate their production and sales with enterprises on all continents, manage the process of international cooperation and specialization on a global scale. Average annual sales of MNCs is several hundred million dollars. More than 500 multinational corporations have annual sales above 1 billion dollars, and the largest - tens of billions of dollars. The most substantial companies have equal annual turnover of corresponding or several times higher than the GDP of many countries in the world economy. Annual added value of the largest MNCs is sometimes compared to the GDP of individual countries. For example, the annual added value of «Wal-Mart Stores» is higher than GDP of Ukraine in almost two times and in three times higher than the GDP of Croatia. In general, the list of 100 leading countries GDP and 100 leading multina-

tional corporations by added value has corporation «Wal-Mart Stores» being placed 44th, «Exxon» - 48th, it is higher than the GDP of New Zealand and the Czech Republic, which are at 49th and 50th place in this list. «General Motors» holds 53rd position, it is higher than the GDP of Hungary, Nigeria, Ukraine, Romania and others. However, there are a lot of MNCs, which provide relatively small scale operations, but extremely flexible, extremely efficient in terms of production and income (especially in high technologies, service, etc.) [1, c.6-7].

Production company, solving the problem of achieving global competitiveness, focused on winning the world markets, have developed a philosophy of World Class Manufacturing (WCM). This philosophy has incorporated the priorities such as quality, value of products, timely delivery, reliability of supplier, level of services, production improvement, involvement of employees of corporation to make business decisions for the company. MNCs, with its versatile industrial base, conducts the production and trade policies, which provides highly efficient production and product market planning, dynamic policies for investment and scientific research in national, continental and international scale for all corporations.

Global nature of MNCs puts a problem of adapting to the conditions and requirements of world economic environment: adapting to changes in global standards of technology and management, quality and design of products and services, the level of world production costs and so on. This requires a combination of universal forms and methods of control such effective operating effective in a range of specific conditions in different countries.

According to the analysis of the ways of achieving the competitive position, most researchers highlight eight principal factors[2, c.276], which provide world-class production (placed in the order of their importance for WCM):

- the emphasis on total quality;
- involving employees in the company's business;
- quality management of trading process;
- wasteless technology;
- production control;
- information flows;
- preventive maintenance;
- standards of measurement.

Practical activities WCM confirms the importance of continuous improvement of all its components, including search and explore of new opportunities to improve performance of the company in all areas of business. It depends on effective research conducted within the long-term strategy of development. In this connection it is expedient to mention “10 rules of Peter Drucker” [3], which absorbed practically significant experience of international corporations, the theoretical justification of this talented scientists, whose main idea: only investigations into their three components (improvement, controllable evolution and innovation) can provide long-term support of the target level of company's

competitive advantages. The interest in WCM had grown especially in late XX century. The main reason for this is enhancing of competition, osculation with its realities, creating an entirely new principles of management.

Thus, implementing the strategy of enhancing competitiveness in Ukraine, domestic producers should focus on global trends in industrial and technological development, providing the development not only of production facilities, making technological transformation on the modern level and scale.

References

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