

STRATEGIC MANAGEMENT OF A BUSINESS ENTITY IN THE CONTEXT OF ENSURING THE STATE ECONOMIC SECURITY: AN INNOVATIVE ASPECT

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Abstract. The study of the role and significance of innovations in the strategic management of business entities is especially relevant in the conditions of a full-scale russian invasion of Ukraine, while an important task at all levels of management is not only ensuring the country's survival, but also ensuring its prosperity and accelerating the recovery of the economy in the post-war period. The purpose of the article is to develop a set of measures to increase the innovative development of economic entities in the context of implementing their strategic management in order to speed up the recovery of Ukraine's economy in the post-war period. The object of the study is the process of strategic management of innovations in the conditions of a full-scale war between russia and Ukraine. The methodological basis of the article is the use of general scientific and special methods that serve as confirmation of the reliability of the obtained results and conclusions: in particular, such as: analysis, synthesis, structural-logical, terminological, statistical analysis, system-structural analysis, systematization and generalization, etc. Innovations as an important tool for the strategic development of business entities and their management for the future in the context of their adaptation to the conditions of a turbulent environment was conducted for a full-scale russian invasion of Ukraine. It was determined that they are the main aspect and component of the process of ensuring the economic security of the state and its management, in particular in the context of balanced strategic management of economic entities. It is proposed as recommendations to use a binary approach to the activation of innovative activities of enterprises, which involves the use of a tolerant type of adaptation in combination with innovations, which are classified according to the type "by type" (product, technological, raw material, organizational, sales and infrastructural) in combination with typical procedures for the formation of innovation management strategies by economic entities within the framework of strategic management.

Keywords: innovation, strategy, competition, competitiveness, adaptation, strategic management, turbulent environment, business entity, state economic security.

JEL Classification: A10, A11, A19, E22, G11, G17, G19, O10, O30

Formulas: 0; **fig.:** 1; **tabl.:** 0; **bibl.:** 15

Introduction. In today's conditions of a full-scale invasion of Russia into Ukraine, an important task of the state is not only survival, but also ensuring future prosperity in order to ensure a sustainable trend of economic growth. At the same time, innovations and innovative activities of various sectors of the economy are the main aspect and component of the process of ensuring the economic security of the state and its management, in particular in the context of balanced strategic management of business entities. The objective grounds for this are the following: innovations in general and innovative activity of business entities are an important component of the process of ensuring their successful functioning; innovations are a basic element of an effective innovation strategy of business entities within their strategic management; innovation is an important tool for creating and maintaining competitive advantages of business entities both on the domestic and international markets of innovative products.

Literature review. Separate issues related to the definition of the essence of innovations and their role in ensuring the economic development of the state and business entities are considered in the works of a large number of scientists, in particular such as: V. Aleksandrova, Yu. Bazhal, A. Halchynskiy, V. Heiets, S. Illiashenko, M. Kondratiev, O. Lapko, B. Santo, V. Semynozhenko, B. Tviss, M. Tuhon-Baranovskiy, M. Chumachenko, Y. Shumpeter. However, paying tribute to the scientific achievements of the authors in terms of research issues, it should be noted that in modern economic science, issues related to the definition of the relationship between innovations and the innovative development of business entities in the context of strategic management with the provision of economic security management have not been comprehensively covered state. The existing proposals for solving the mentioned problematic issues, as a rule, represent multi-directional recommendations that are not considered in a complex, which is the basis for formulating the goal of the research on this issue.

Aims. The purpose of the article is to develop a set of measures to increase the innovative development of economic entities in the context of implementing their strategic management in order to speed up the recovery of Ukraine's economy in the post-war period.

Methods. The methodological basis of the article is the use of general scientific and special methods that serve as confirmation of the reliability of the obtained results and conclusions: in particular, such as: analysis, synthesis, structural-logical, terminological, statistical analysis, system-structural analysis, systematization and generalization, etc.

Results. The key to the upward trend of the economic development of the state and individual economic entities is the introduction of innovations and the stimulation of their innovative activities, which acquires particular relevance in the conditions of a full-scale war between Russia and Ukraine. In general, the ability to generate and implement the achievements of scientific and technical

progress is one of the most important conditions for ensuring the competitiveness of both the national economy in a global competitive environment and individual product manufacturers in specific markets [1].

The term "innovation" comes from the English word innovation, which in translation means "the introduction of innovations" or "the embodiment of a scientific discovery." The term "innovation" as a new economic category was introduced into scientific circulation by Y. Shumpeter at the beginning of the 20th century, in the work "Theory of Economic Development" he first considered the issue of new combinations of changes in economic development and gave a complete description of the innovation process [2]. He singled out the following types of new combinations of changes or innovations [3]: production of a new product or a known product in a new quality; introduction of a new production method; attraction of new sources of raw materials for the production process; development of a new sales market; introduction of new organizational forms.

The problems of innovation began to be actively addressed in the 60s of the 20th century. Even in today's conditions, they are an important tool for the strategic development of a business entity, as well as its future management in the context of its adaptation to the conditions of a turbulent environment. However, it should be noted that currently there is no single generally accepted definition of the term "innovation" in modern scientific literature (it is multi-faceted, multi-vector, taking into account the evolutionary processes occurring in society) and their single classification, which significantly affects the formation of different approaches to its consideration and models of enterprise adaptation. Formation in the process of evolution of various approaches (as a process) is subject, first of all, to the law of survival. As the experience of economically developed countries shows, the evolutionary process is carried out through innovations. They, like a locomotive, entail the modernization and structural restructuring of the entire economic system; act as the main measure of ways of development of society. Therefore, the country that stands aside from "innovation competitions" remains the last in the hierarchy of development of the world community [6]. The undisputed leader in these competitions today is the United States, as over 60% of all technical innovations have been accounted for over the last half century. This country has become one of the richest in the world primarily due to the best organization of the innovation process and the effective use of technological innovations in production [4].

Yu. Bazhal [5] is relevant, according to which innovations are systematized according to the following characteristics:

1. By type: product, technological, raw material, organizational, sales and infrastructure;
2. By innovative function: basic, improving and pseudo innovations;
3. According to the novelty of the place of implementation: new industry

(new production), existing industry (existing production).

In general, the peculiarity of innovative activity as one of the varieties of entrepreneurial activity is that it is accompanied by increased risk, compared to usual entrepreneurship. Such a risk is due to the novelty, creative nature of scientific and technical work, the possibility of obtaining both positive and negative results [2]. However, in the conditions of martial law, the activation of innovative activities of business entities is an important aspect of their survival, which, in turn, requires the adaptation of their strategies to modern realities, taking into account all the peculiarities of the functioning of the economy.

In general, adaptation is understood as an adequate change in the current state of any object for the implementation of an innovative process under the influence of changing conditions of its environment [6, p. 94].

In this context, it is relevant to classify the types of adaptation by characteristics, taking into account the characteristic features of the manifestation in the innovation process [6, p. 94-95]:

1. By defining the purpose and subject of adaptation:

- private (linear) – separate factors of innovative development (various innovative projects) are considered without their mutual agreement, does not require a fundamental restructuring of the existing scheme of the object's functioning;

- systemic (multilevel) – all factors of the innovation process at the enterprise are considered as a whole, having an impact on the implementation of innovation processes in relation to the object of adaptation; requires changing the existing approach to solving problems, redefining priorities, establishing new relationships, replanning operations.

2. By initiation and objective signs:

- problematic – "Initiator" of the adaptation process - a formalized problem on the way to the implementation of innovations, therefore, this "stimulus" must be neutralized, eliminated or adapted to it;

- complex - "Initiator" of the adaptation process - the very object of adaptation, when innovations cannot be started without prior preparation, therefore the solution to the adaptation task lies in the field of reengineering, in particular, it is related to the processes of structural reorganization of the enterprise;

- product – "Initiator" of the adaptation process - a production product offered on the market by the enterprise itself, therefore, changes in the internal environment are necessary to obtain the expected level of results at the output of the production system.

3. According to the approach to solving the adaptation problem:

- "classical" – the influence of the external environment on the object of innovation adaptation prevails, therefore the corresponding reaction is the traditional approach associated with the change of its internal environment;

- program – the aggressive influence of the external environment can be

compensated due to the internal activity of the object of adaptation, which allows it to approach the desired state through the use of the known and currently existing influence of external environmental factors;

- tolerant – the object, possessing everything necessary, can simultaneously act as a management subject. This will allow him to implement an approach based on the prediction of events and the prediction of the future situation during the warning time and forecasting the dynamics of changes in the situation and the state of the object as a system.

Innovations are the main aspect and component of the process of ensuring the economic security of the state and its management, in particular in the context of balanced strategic management of economic entities, the objective reason for which is that as a result of the use of innovations, the quantitative and qualitative characteristics of the spheres of production and consumption, economic development is accelerated, intensification of social production is ensured. Therefore, it is considered relevant and such that it can have a practical focus in the conditions of full-scale aggression of Russia against Ukraine to use a binary approach to the activation of innovative activities of economic entities [7-15], which involves the use of a tolerant type of adaptation in combination with innovations, which is systematized "by type" (product, technological, raw material, organizational, sales and infrastructural) in combination with typical procedures for forming an innovation management strategy by business entities within strategic management.

Taking into account the fact that the expediency and possibility of introducing innovations by a business entity is always related to its current state, technical-technological and financial base and is implemented within the framework of strategic management, then the possibility, as well as the expediency of developing and implementing an innovation management strategy can be considered a special study that has its own typical procedures, an approximate list of which is shown in fig. 1.

Taking into account the above, it should be noted that the selection of an innovation management strategy within the framework of strategic management should be carried out according to standard procedures (Fig. 1) taking into account a number of criteria that serve as indicators to substantiate the feasibility of its development and implementation: compatibility with financial resources, which can be directed to the development of an innovative product; the effectiveness of the strategy – the agreement of the results and the real costs for their achievement; certainty in terms of the achievement of the established goal; optimality of the combination of the expected achievement of the desired profitability and the possible riskiness and uncertainty of the future period; compatibility of the planned investments with the general economic conditions of the external environment for the business entity.

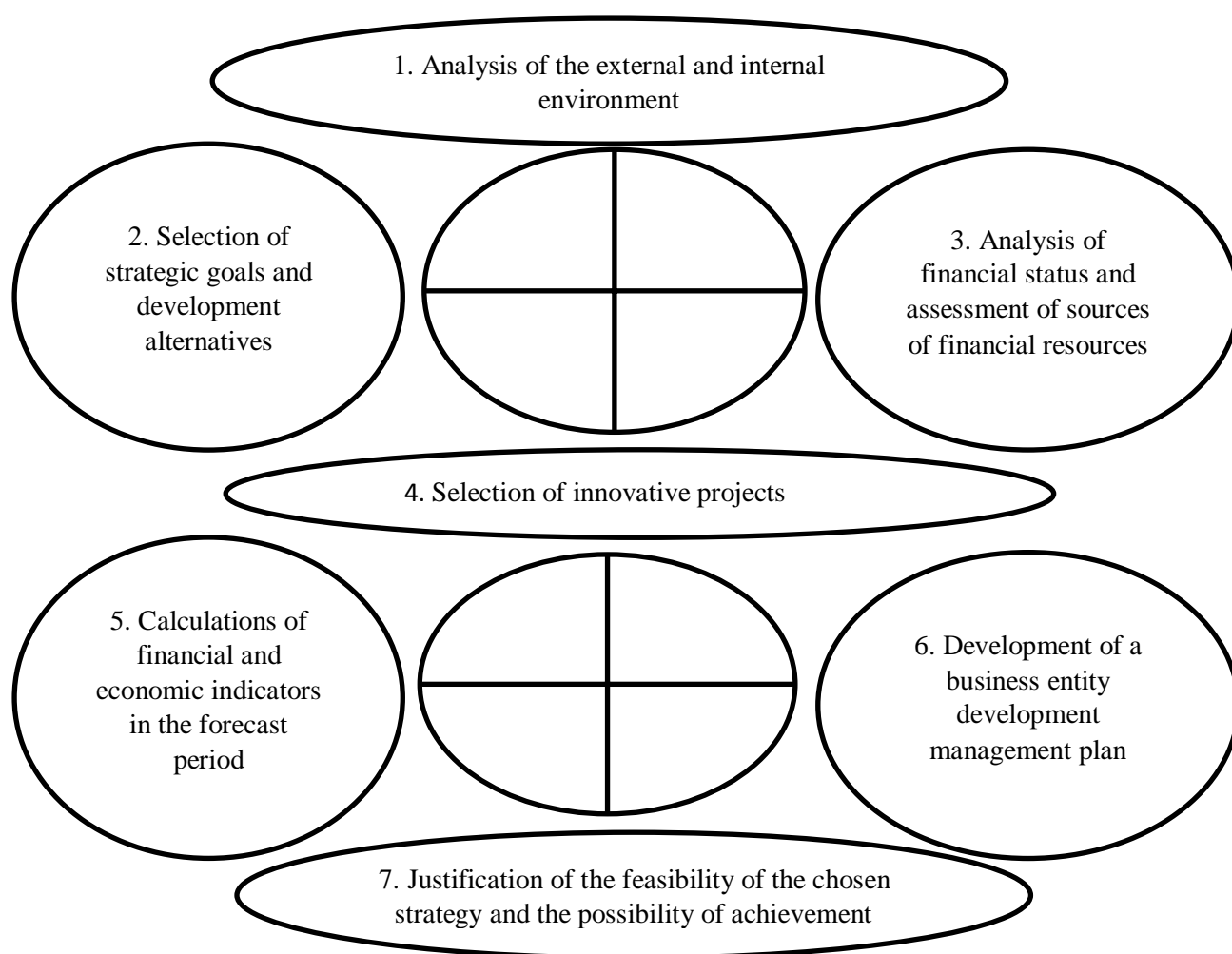


Figure 1. Formation of innovation management strategy by business entities

Source *. Formed on the basis of own research.

In this context, the implementation of balanced support of business entities at all levels of management has a significant impact on the level of socio-economic development of the state and its economic security.

Conclusion. Taking into account the above, it can be stated that in the conditions of a full-scale invasion of Russia into Ukraine, it is considered expedient to use a binary approach in the field of strategic management of a business entity by combining a tolerant type of adaptation with product, technological, raw material, organizational, sales and infrastructure, using at the same time typical procedures for the formation of innovation management strategies by business entities within the framework of strategic management.

Realization of the aforementioned will contribute not only to the fact that the business entity will be able to survive on the market, but also to its future prosperity in order to restore the economy in Ukraine in the post-war period. Prospects for further research consist in the development of theoretical and

practical recommendations based on the best global practices of foreign countries in the context of research issues in the field of strategic management of a business entity. The practical implementation of the aforementioned requires conducting in-depth research on the better management of innovations, taking into account their role and importance in the implementation of balanced and purposeful management of the economic security of the state [7-15], which becomes especially relevant in the conditions of the Russian-Ukrainian war and in the post-war period in the context of the restoration of the national economy.

Author contributions. The authors contributed equally.

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