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INTERNATIONAL COMPETITIVENESS OF POLISH WOOD AND FURNITURE INDUSTRY

Reflections on international competitiveness of enterprises, sectors or national economies are inextricably linked with the processes of integration and globalization. Competitiveness is related to the ability of maintaining or enlarging of shares in the global markets [2, p. 56]. A visible reference to the results achieved in foreign trade can be seen within those considerations on competitiveness. Referring to this concept Budnikowski [1, p. 41] argues that international competitiveness of an industry can be defined as its ability to produce and sell goods to foreign markets that are better or cheaper compared to those offered by foreign competitors. This paper assesses the international competitiveness of the Polish wood and furniture industry. This industry forms an important part of the national economy – the value of its production is at about 9% for all manufacturing. A similar value is associated to the share of exports of this industry compared to overall Polish exports.

Results of an indicator analysis evaluating the competitiveness of wood and furniture industry as well as foreign trade results demonstrate its strong position in the international markets. Coverage of import by export (TC) in 2011 amounted to 2.38 for this industry (the highest was recorded for furniture made of wood, mattresses and sleeping accessories and furniture for sitting and sleeping). Ratio of export orientation (OE) was at approximately 58%, which indicates the export specialization of this industry and sales to foreign customers. This trend is clearly visible in the sale of furniture, about 90% of which is directed to the international markets. The smallest role in building and maintaining a competitive advantage in this industry can be associated with trading of paper and paperboard as well as articles of cork.

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MODERN CHALLENGES OF THE COST MANAGEMENT

The definitions of costs and revenues are one of the major fundamentals in systems of management accounting. Particular the different objectives between the financial accounting and the internal cost accounting forces a different definition of expenses and costs. The determination of costs in the theory of cost accounting requires a supplementation of the expenses with imputed costs like estimated depreciations or replacement costs. But these procedure is problematic in modern concepts of partial-cost-accounting like systems of quality-costs or in the calculation of forecasted risks.

The analysis of cost variances is one of the major features of a standard costing system; due to theoretical and practical problems there are different approaches to compute variances of cost. Particular the problems of the interactions of various determinants and difficulties in the economic interpretation raises the question of a satisfactory solution. The implementation of cost control in service companies is more difficult than in industrial firms.

The traditional analysis of revenue variances separates the effects of price and quantity on the variance. This is not a sufficient tool for an effective control of marketing activities. The method of differentiated-cumulative variance analysis shows, that it is possible to compute further revenue variances. The differentiated-cumulative variance analysis identifies the interactions of various determinants of revenues. The description of the methods of revenue control is aimed at the construction of different sub variances, which are able to show the effects of internal and external revenue determinants like market shares and market growth.

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INCREASING OF THE COMPANY VALUE BY ENTERING ON THE STOCK MARKETS

Already for few years there are professional and public discussions about IPO (Initial Public Offering) in Ukraine, i. e. suggestion for investors to become the shareholders of company. It aims to sell the shares package (usually small, but close to blocking) to investors on an exchange, both with the purpose of receiving financial infusion for development and in order that after quotations of actions on an exchange to define the capitalization or real market value. Another purpose is publicity (increase of the investment rating is for receiving access to other inexpensive sources of funding)[1, c.7].

However mass withdrawal of shares of domestic companies to the international stock markets is not fixed in any way, but in the period of current economic crisis there is not even a hope on a positive tendency: for today, only seven Ukrainian enterprises have brought their shares to the world financial markets (a few dozen in Russia).

Despite this, IPO - is definitely one of the hottest topics in the Ukrainian business as well as in business of neighboring countries, even without regard to a crisis. One example of this - numerous articles in periodicals devoted to this topic and also permanent realization of events on specified issues. Thus, in Kiev the National Committee of IPO is created and functions on a voluntary basis, which includes recognized experts of Ukrainian and international business [2].

In recent years, an analysis of opportunities of the enterprises to be stock market participants is carried out by domestic and foreign authors. Among the domestic and foreign scientists deserve attention works of V. Kuksa, V. Selik, G. Ross, A. Gregory, A. Lukashkova, S. Gardin, G.Greg , T. Copeland etc. All these authors have dedicated their works to the questions of bringing in investment resources to the enterprises by entering the stock markets.

At the same time there are some unsolved questions about the mechanism of IPO, not all advantages and defects are considered of this business-step, not identified all of the factors affecting the cost of the process and so on.

The numerous advantages of this business-step do it now fancy standard strategic decision for successful companies. The main advantages of this process are:

1. **Upgrading the status of the company.** Automatic raising the status of the company, the rating of trust (including credit rating) is due to realization of international audit and full publicity of information about company's activity.

2. **The growth of range of potential investing.** Access to more capacious (in hundreds of times) stock market than the domestic Ukrainian.

3. **Interest-free financing.** A possibility to avoid external debt burden by attracting additional funding, because the joint funding doesn't create external debt and eliminates the need to pay interest.

4. **Higher market estimation.** Getting real market estimation of companies, often higher compared to Ukrainian. Company has an opportunity to increase enterprise value through evaluation of goodwill.

5. **Creation of liquid business.** The appearance of signs of dynamic changes in the structure of business possessing. The appearance is in the structure of proprietors of those participants, who are directly interested in possessing part of exactly this company.

6. **Attracting investment (in the form of joint-stock financing) while maintaining control over the business.** Ability to save a control packet of shares and still get significant funding.

7. **Access to cheap credit funds.** The possibility of borrowing abroad (much cheaper than in Ukraine).

8. **Diversification of risks.** Risk reduction for company owners due to their transfer to the international sphere [3, c.46].

But we should not forget about the risks companies' owners face in the international stock markets:

- necessity to comply with the rules of publicity (openness and practically unlimited access to company documentation);
- diffusion of control;
- obligatory transparent structure of the company's cost ;
- the process is expensive, long-term and complex;
- the dependence of the final results from the current situation and according to the opinion of analysts / experts;
- significant charges after realization of IPO to maintain the image and public status of company [4, c.132].

From one side, requirements may seem rather hard, from other, if to look at them closely, we find out that, except one item (the size of the company), all the others – it's just characteristics of successful civilized business that has a strong strategy of development and that claims to international level of quality of making business.

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THEORETICAL BASIS OF THE STATE SUPPORT FOR INNOVATIVE ECONOMY DEVELOPMENT

All countries seek to increase the competitive ability at the world market of high-tech production. What is the prerequisite for the stable long-term economic development? They see the motive force of the economic increase in the use and improvement of the advanced technology, and they try to provide the stable economic increase with the help of the effective innovation processes management. The creation and the production of the scientific and technical products , goods, services, information, which are due to the following sale to the buyers and consumers is the main and the determining factor of the innovation business. The effectiveness of the innovative business depends on many factors: organizational, economic, financial, credit, social, psychological, etc [3, p. 562].

The main aim of the national innovation systems can be defined as the ensuring of the stable economic development, achievement of the competitive advantages of the country and improving the living standard of its population. It is possible to achieve this aim by creating additional jobs in science, increasing government income due to the rise in the high scientific standards production, improving the educational level of the population, solution of environmental and social problems by using of new technologies [2].

The functioning of the national innovation system is determined by the state of macroeconomic policy, legislation , forms of direct and indirect government regulation , the state of scientific, technological and industrial potential, domestic commodity markets, labor markets, as well as historical and cultural traditions and peculiarities[1].

The main reasons of insufficient development level of innovative process in Ukraine are:

- the lack of financial institutions development (stock markets Bankruptcy Institute, financial markets, in particular, of their venture variety);
- imperfect system of innovation processes state support, the lack of national innovation strategy;
- the low proportion of high-tech industries and the slow speed of their transition from groups of small firms to groups of large firms;
- imperfect state regulation of investment activities by the use of instruments of fiscal and monetary policy;
- the lack of a developed market scientific and analytical products;

– a traditional system of state interest security, does not promote and fall short of society innovative development, taking into account the world tendency of innovative development, etc [4].

Today, it is determined that the most effective way of innovative transformation of the society is the construction of a national innovation system as a tool for the innovation process management. That's why, only the scientists-innovators who are capable of assimilation large body of knowledge, quick and painless overcoming resistance to innovation by creation new system of public relations, can be the ideologues and the key figures of the intellectual rearmament. Only the existence of innovative activity management mechanisms, grounded financial forecasting, planning its activities determines the strategy of economic reform.

The main directions of the state policy of innovative development promotion in Ukraine should be:

- prioritization of the innovative development and active state participation in the implementation processes;
- the creation of national information network structures and their integration with similar global information networks;
- the promotion of innovation in the private economy sector;
- the strengthening of the transfer technology effect, especially through the programs of small business support;
- the promotion of the competition development in the innovative products market.

The present state of Ukraine innovation system major components and of its infrastructure shows that the national innovation system is formed rather slowly. Therefore, it is important to strengthen the relationship of the national and the international scientific space. It is necessary to take into account the international experience of the national innovation system formation and the state regulation in this sphere.

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PROBLEM OF OPTIMISING THE MASS-SCALE CASHLESS PAYMENTS AT ENTERPRISES USING THE PAYMENT CARDS IN UKRAINE

Under contemporary conditions of globalisation with the need to increase the national enterprises' competitiveness, the problem of improving the enterprises' activity transparency at the expense of widening scale and optimizing the non-cash payments with simultaneous progress in clients servicing level acquires the top significance. One of this problem's efficient solutions embodies the enterprises involvement into mass cashless settlement using the payment cards.

The formulated problem has predominant actuality for business in trading and services field. Today, every entity or venture, following a strategic development and competitive market position maintaining plan, creates for the clientele a complex service scheme, particularly, providing the opportunity of paying the bought goods or services through bank transaction using the payment cards. Meanwhile the predominant part of the national business still lacks for such service. However, the innovative card products represent today worldwide a vital need of customer. The developed countries have such deeply rooted paperless settlements practice that new products and services developing for banks, service and trade sphere enterprises, the key and utmost criteria is the maximum comfort creation for customers effecting payments.

The banks in Ukraine are also active in introducing the innovative card products. In particular, the non-counter banking services on the basis of mobile devices allow clients to manage their accounts without bank visiting. Apart that the banks begin introducing at distribution facilities and retail networks for clients' convenience and fast servicing the PayPass contactless technologies, allowing the bought goods' limited price sums payment without cashier clerk involvement. But the statistic data registered by the National Bank of Ukraine indicate that payment cards' qualitative en-mass use compliant to their proper purpose as payment instrument is still not practised in Ukraine.

The national cards-based business progress can be characterised as a rapid but extensive one. Regardless of the cards' and the cards-servicing equipment's number increase positive dynamics, the qualitative changes are pending. Here one of main factors is insufficiency of infrastructure for cards reading. In such a way, the trade and service sphere business numbers more that 400 thous. stores, but only 88, 298 thous. from among them do really provide the clients' servicing with payment cards transaction [1].

Mostly the enterprises are not initiative in augmenting the popularity of non-cash payments.

The first point here is that the "shadow business" enterprises are unwilling to declare their turnover and to pay frankly the corresponding taxes.

Secondly, the payment terminals installing is expensive, however most part of the banks are providing this service at free.

Third factor relates to high enough amounts of the acquiring commission paid to the banks.

And the fourth one is that the enterprises owners are well aware of terminals fraudulence risk.

Nevertheless, introducing the payment terminals discover significant advantages for trading entities. To mention several, these are:

- Potential increase in profit as the clients habituated to card payments usually choose the trading and entertainment entities equipped with payment terminals.
- Decreasing risk of fraudery with counterfeit cash.
- Regular transactions' reports and money flows control.
- Improving the given store service level.
- Saving money on personnel salary.

The initial stage of solving at the national level the problem of infrastructure expansion started in 2004 with introducing changes into the Law of Ukraine «Payment systems and funds transfer in Ukraine». In 2010 the Ukraine Chamber of Ministers issued a Directive № 878 on settling payments for goods (services) with the use of special payment instruments; this regulation exposes that the entities, operating in the domain of goods trading, foodservice industry and service providers and using in compliance to the Law the payment transaction registering devices must obligatorily change to acquiring special payment instruments when settling accounts for goods sold or services provided [2].

The unique authority controlling the enterprises obliged to provide the special payment instruments acquiring is the Ukraine Ministry of Revenues, but the said Ministry has no powers for applying sanctions in respect of entities offending against the aforementioned law.

Thus, to improve the efficiency of the acting legislative provisions as to the considered entities' obligatory transition to special payment instruments acquiring with the aim of mass cashless payments effecting, required is establishing of differentiated-scale sanctions system, referring to contraventions of the cash circulation checkout counter discipline.

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THE COMPETITIVENESS OF UKRAINE AND POLAND

Considerations on competition occurring between locations have been subject to evolution. Initially, the paradigm of competition was focused on the comparative advantage. As changes in the economic environment have occurred, comparative advantage is no longer considered to be a relevant solution for many industries. Instead, a new approach was introduced which is based on a new type of advantage – the competitive advantage. The difference between them relates to the issue of costs. Comparative advantage is based on the access to specific expenditures, their size and associated costs, while competitive advantage revolves around the productivity of their use and is closely linked to conditions in which competition occurs [4, pp. 402-404].

Competitiveness is a term that may refer to all branches of economics. One may look into the competitiveness of firms, others analyze with great scrutiny the competitiveness of industries, regions, and nations. As it was stated in one of the very first definitions of competitiveness it is the degree to which a nation can, under free and fair market conditions, produce goods and services that meet the test of international markets while at the same time maintaining or expanding the real incomes of its citizens [3, p. 70]. Porter believes that competitiveness is built based on differences rather than similarities between countries, regions and companies [2, p. 41]. Competitiveness can be analyzed from different perspectives. Some consider two interrelated dimensions of competitive potential and competitive position of an economy which is related to its productivity [1, p. 3].

World Economic Forum has introduced a measure that has been praised by many as a solution to grasp many dimensions of factors influencing competitiveness of national economies. The Global Competitiveness Index and its 12 pillars of competitiveness are used to assess competitiveness of national economies and compare them irrespective of their level of economic growth [5].

The aim of this paper is to compare the competitive potential of Ukraine and Poland based on the methodology of WEF as well as their competitive position based on data on GDP per capita and international trade. The reason of such comparison is to show plausible ways to strengthen the international standing of both economies, their advantages and disadvantages in the areas of: institutions, infrastructure, macroeconomic environment, health and primary education, higher education and training, goods market efficiency, labor market efficiency, financial market development, technological readiness, market size, business sophistication and innovation.

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MULTI-OBJECTIVE OPTIMIZATION MODEL OF DAIRY PROCESSORS PRODUCTION

The dairy industry such as all mature industries includes "strategic set», which is a combination of strategies such as production, pricing, product and competition. In the products' range management (product strategy), we can define a specific spectrum of tasks: the timely development of new products according to the requirements of consumers and exclusion from the product range such that do not meet the market demand, the use of competitive pricing, the brand management, the creation of an optimal breadth and depth product mix, the choice of an optimal plant utilization.

In order to solve these tasks is expedient to use the methods of mathematical economics, such as multi-objective optimization model. The characteristic feature of optimization models is that they are focused on obtaining answers to questions such as "what it takes to ...?", i.e. the definition of elements such relations and properties that will provide the best and most effective achievement of desired goals. In contrast with optimization the simulation models are focused on getting answers to questions such as "what would happen if ...?" [1, 71]

According to the decision making theory, if a simulation model of the system is given, then for its optimization is only need to synthesize the objective function, i.e., to determine such important characteristics that convert it into extremum. It is proposed to make the transformation also in the reverse direction: to simulate values of random variables in the optimization model in order to it will acquired imitation characteristics and give an answer to the question "what is needed to on condition that ...?"

Consequently we create the multi-objective optimization model of dairy processors production using Microsoft Excel. There are six main performance criteria as elements of optimization, and random values of concessions that can be tolerated for converting every next indicator into extremum as imitation. For solving multi-

objective optimization problems we use constraint function method that allows you to generate the value of the constraint. The practical implementation will be carried out by using the data of dairy processors.

So first make the specification of optimality criteria, limitations and conditions of the non-negativity.

1) profit maximization

$$k_1 = \sum_{j=1}^n (c_j x_j - z_j x_j) - V_{otc} \rightarrow \max \quad (1)$$

2) maximization net revenue (excluding VAT)

$$k_2 = \sum_{j=1}^n (c_j x_j) \rightarrow \max \quad (2)$$

3) minimizing the total cost of production

$$k_3 = \sum_{j=1}^n (z_j x_j) + V_{otc} \rightarrow \min \quad (3)$$

4) maximization of output

$$k_4 = \sum_{j=1}^n (x_j) \rightarrow \max \quad (4)$$

5) minimization of basic raw materials (milk) cost

$$k_5 = \sum_{j=1}^n \sum_{i=1}^m a_{ij} x_j \rightarrow \min \quad (5)$$

6) minimization of production time

$$k_6 = \sum_{j=1}^n t_j x_j = \sum_{j=1}^n t_j' \frac{x_j}{x_j'} \rightarrow \min \quad (6)$$

where j is number of a particular type of product ($j = \overline{1, n}$); n is quantity of products types; i is number of a particular type of basic raw materials ($i = \overline{1, m}$); m is quantity of basic raw materials types; x_j is a decision vector that represents a solution (output); c_j is net revenue from the output unit sale, UAH.; z_j is overall variable costs of output unit production, UAH.; V_{otc} is overall total costs, UAH.; $(c_j x_j - z_j x_j)$ is margin profit from the output unit sale, UAH.; a_{ij} is normative consumption of the basic raw material for output unit production, kg.; t_j is normative output unit production time, min.; t_j' is normative batch production time, min.; x_j' - value of products batch.

There are the formulas for constraints and non-negativity conditions:

- constraints of output unit production

$$x_j \leq X^{\max} \quad (7)$$

- constraints of consumption of the basic raw material

$$\sum_{j=1}^n \sum_{i=1}^m a_{ij} x_j \leq A_j \quad (8)$$

- constraints of production time

$$\sum_{j=1}^n t_j' \frac{x_j}{x_j'} \leq T \quad (9)$$

- non-negativity conditions

$$x_j \geq 0 \quad (10)$$

where X^{\max} is output capacity, tones; A_j is amount of available main raw material, kg.; T – useful fund of time, min.

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ANALYSIS OF THE APPROACHES TO THE OUTSOURCING DEFINITION

The ensuring of the effective enterprise cooperation has been an actual problem for a long time. A desire of the enterprises to concentrate their action on some main area caused the development of the production specialization and cooperation. A cooperation development provided appearance of the enterprise associations, their clusters, financial and industrial groups, franchises, subcontracts. A cooperation method list has been supplemented with one more - an outsourcing.

An outsourcing as an economic phenomenon appeared in USA at the beginning of the XXth century, but the terminology relating to it isn't developed for all yet, because outsourcing only became the subject of scientific research in the late in 1990th. That's why it is essential to analyze the approaches to the outsourcing definition and investigation of its main characteristics first of all.

The term "outsourcing" verbatim means "using of the external sources" and it is often applied as "cooperation", "subcontract" and even "delegation of the management functions, authorities and responsibility in the network of tasks stated. But this interpretation isn't exactly enough. Most of all an outsourcing is meant as a transfer of the nonprincipal functions or business-processes and all connected with them actives of the enterprise to professional contractor (outsourcer) management. I. S. Groznyi considers that in the modern management an outsourcing is the achievement of the certain functions (production, service, information, finances, administration etc) or business-processes (organizational, financial, economic, industrial-engineering, marketing) with the exterior organization which has necessary recourses by the long-term cooperation contract [1, p. 47]. The same opinion has A. Furshik. He thinks that outsourcing is a renunciation of an own business-process and an acquisition of the services according to the realization this business-process with the exterior organization.

Services are usually given on the paid conditions. So A. G. Zagorodnii and G. O. Partin pay attention that business-processes only transfer to executives if they guarantee the appropriate quality level and efficiency of their realization. This approach to the outsourcing definition is quite correct but it doesn't show the difference between outsourcing and other cooperation forms such as subcontract. T. S. Ovcharenko definition is more complete. According to it outsourcing is a collaboration form fixed with the contractor when employees of some organization (contributors or specialists employed specially for this task) work in other organization being subordinate to the managers of the client organization [2, p. 274]. The author stresses an that outsourcing is a form of a collaboration and a partnership between enterprises.

Not only certain business-process or function may be passed on the outsourcing in the modern conditions. Outsourcer involvement can take place of keeping of some subdivisions at the enterprise. G. B. Heywood thinks that the most widespread outsourcing definition is following. An outsourcing is a transfer of an internal subdivision or subdivisions and all actives connected with them to the service provider organization which offers some service by price concerted during defined period of time [3, p. 40]. This cooperation form influence on the change of the enterprise organization structure. S. Nepikhina asserts that outsourcing is a cooperation method. But as opposed to other method, such as contract, subcontract and support manning, outsourcing is a strategy of the enterprise management but it is not only a shape of the partner interaction. Outsourcing provides some production restructuring of the corporation and its relations [4, p. 49]. B. A. Anikin and I. Ya. Maksymenko agree with the author. They consider that outsourcing is a strategy of enterprise, too.

There are some approaches to the outsourcing definition according to the aim of its application. S. Pushkin, N. M. Shmygol consider outsourcing like an optimization method of the enterprise activity. O. I. Mykalo, R. S. Insynga, M. G. Verle, L. A. Bogun think that the main task of outsourcing is a enterprise competitiveness rise. V. V. Vysotskyi examines outsourcing as a technology of the enterprise security management. Yu. V. Dykyh determines outsourcing as an instrument of the enterprise stability guarantee.

Thus the scientists' opinions according the outsourcing definition has been analyzed. The following characteristics of the outsourcing may be appropriated. An outsourcing represents the cooperation form of the enterprises. An outsourcing provide for the transfer business-processes or even organization departments from one enterprise to other for execution on paid conditions. An outsourcing helps to reach competitive advantages to the enterprise. An outsourcing is a part of the enterprise general strategy and long-term characteristic and its participations become partners for a long time.

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INVESTING ASPECTS OF COMPANY'S DEVELOPMENT IN AGRICULTURAL AND FOOD SECTORS

The successful functioning of the agro-food sector in the current market conditions and the increase of their competitiveness are impossible without a thorough study of trends and investing aspects. A significant number of authors work with the problems associated with the development of agro-food sector in Ukraine. However, there are specific characteristics of enterprises in the sector. The main objective of the modern investing aspects study of the agro-business sector is the search for possible means of overcoming the crisis and the ensure profitable growth of companies.

Unfortunately, today the agro-food sector is in deep crisis, which is the main cause of lack of government support, lack of investing, increasing competition and inflation increase. It is typical to reduce volume activities of agro-food enterprises or their complete elimination. Recently, the state did not make any solutions, which could be considered active state structural and investment policy, which is designed to develop the economy and agro-food sector. Instead, there is a continuous gradual decline in the state's share of total investment in fixed assets. Most of the public fixed investment is directed to the needs of the public sector. We can therefore conclude that the overall structure and dynamics of investment in the sector of the economy is determined by features of most businesses. After considering the issue of investment in the sectors of the economy, we conclude the existence of a national problem of investing in many sectors of the economy of Ukraine, including the agro-food sector. Today agro-food sector enterprises need a balanced public policy to support them.

It should be stressed that the effectiveness of agro-business sector, depends on the ability to use its own and attracted investments reasonably. Those companies that belong to the sectors of material production require major investments. It is therefore particularly acute problem to find and attract investments for companies with industry branches, including enterprises of agro-food sector. Rational and prudent investment structure helps to increase financial viability.

The effectiveness of any business depends on the availability of resources and management system quality. Flexible management structure helps to accumulate more successful investor's funds, including influence on and inflationary signs. Managers should regularly assess the possibility of using different sources of investment to achieve planned index of effectiveness. Decisions about the structure of investment sources should be based on analysis of options in terms of instability [1, p. 274]. The use of external sources of investments is limited by the following main features: the size of investments that can be obtained by enterprises, terms of getting investments and revenue to the company, the periodicity of investment [2, p. 256]. Any source of investment has its own advantages and disadvantages, so you need to analyze carefully the effects of using different sources of participants of the investment process.

Today, the primary task for enterprises of the agro-food sector is the optimization of business and management, implementation of international research and practice in the modern enterprise management mechanisms.

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**INNOVATIVENESS OF INDUSTRIAL ENTERPRISES IN POLAND
COMPARED TO OTHER COUNTRIES OF THE EUROPEAN UNION**

Innovation is presented as the ability and motivation of business entities to continuously search for previously unknown concepts, ideas and inventions, and practical application of research results and the work of the R&D. Innovation activity, as an important element for companies, enables them to simultaneously improve their competitiveness on the market [2, p. 23]. The aim of the study is to assess the innovation potential and innovative activity of industrial enterprises in Poland compared to other European Union countries. The choice of this sector of the economy was due to many reasons. On the one hand, industrial companies report the need for innovative solutions in the field of science and technology. On the other hand, they provide their market partners with technological innovation. Therefore, as rightly pointed out by Bukowski et al. [1, p. 119], the relationship between the manufacturing industry and other actors of innovation (i.e. science and government) determines the international competitive position of a country's economy. The conducted analysis shows that the level of innovation in industrial enterprises in Poland compared to other European Union countries in 2002-2010 was relatively low. This fact is especially present in the areas related to R&D (due to the low number of enterprises engaged in R&D and the levels of expenditure incurred by companies in this sphere) and a low proportion of innovative enterprises. Only in the case of participation of companies cooperating in the field of innovation and benefiting from public support industrial enterprises in Poland seem relatively better, standing at the top or in the middle of the ranking of the EU countries. Reasons for this are mainly due to financial barriers, inadequate involvement of public authorities in supporting innovative activities and the lack of cooperation between R&D and business.

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SENSORY MARKETING AND CONSUMER CHOICE IN THE FOOD MARKET

The main purpose of this paper is to make an attempt to present the influence of sensory marketing on buyer's buying behavior. The general definition of the concept explains that sensory marketing is a successful tool in gaining customers' sensory insights for a marketing strategy[2,p.53; 3,p.77]. Sensory marketing is related to marketing techniques that aim to tempt customers by using their senses like sight, hearing, smell, taste, and touch and to influence their behavior and feelings[6, p.74;1 p.44].

Companies have to take into account the needs of their consumers. Maslow explains that people are driven by particular needs at particular times. Maslow's hierarchy of needs consists of physiological needs, safety needs, social needs, esteem needs and puts self-actualization needs at the top. A customer will try to satisfy the most important needs first[4, p.18]. The buyer behavior is influenced by such factors as: psychological (instinct, emotion, motivation, perception, learning, and attitudes), economical (income, price, product, promotion, and place), social (reference group, family, and statuses) and cultural (culture). All of them provide knowledge how to serve and reach buyers' more effectively[5, p.55]. Each buyer goes through a decision process consisting of need recognition, information search, evaluation of alternatives, purchase decision, and post-purchase decision. The marketers must identify who makes the buying decision and choose a worthwhile strategy[7,p.44].

Increasingly, senses appear in marketers' strategy, because they understand that the more senses you appeal to, the stronger your message is. For many customers the perception, pleasure, and affectivity are more important than the price itself. They retain information thanks to senses like visual modality, touch modality, auditory modality, gustatory modality, and olfactory modality.

The paper covers the topic regarding the theory of influence of individual senses on buyer's behavior. Sight is the most used sense in sensory marketing. The first way of brand's identification is through colors, shapes, and lights. When the light is natural or softened customers spend more time in one place, but when light is intensive customers become more dynamic. Sound is also important for sensory marketing users. Studies revealed that music is a great pleasure during buying and for clients the best kind of music is world hits. Smell is also important, because 75% of our emotions is generated by it[7, p.45]. Taste is often used when companies offer

free-tasting promotional operations. Companies take emotions spared off by touch during the conditioning of the product or its conception. Sensory marketing is a deep and effective concept.

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MANAGEMENT OF INNOVATIVE DEVELOPMENT OF FUEL AND ENERGY COMPLEX

Security of energy industry in Ukraine mostly depends on the effective management of the fuel and energy complex. Therefore, the revival of the fuel and energy complex of the country due to general trends in the development of fuel and energy complexes in the countries of the world is the relevant issue of the economy of Ukraine nowadays. It is necessary to form a new system of energy resourcing of the country with minimization and diversification of foreign fuel supplies. Activating security processes of its own energy contributes to the energy security and the energy efficiency of the country as well as energy saving and environmental harmonization of social production development, determines the relevance of the study of certain issues, problems and prospects for the revival of fuel and energy complex of Ukraine.

The role of alternative energy sources increases in a rather complex situation with energy resources in the world. These sources, in accordance to Alternative Energy Sources Act of Ukraine (No. 555-IV, 20.02.2003) are the energy of solar radiation, sea breeze, rivers, biomass, geothermal energy and secondary energy sources that exist permanently or arise periodically in the environment and their energy can be converted into useful one [1].

The development of alternative and renewable energy sources (RES) is an important factor of:

- upgrading energy security;
- reducing the use of fossil fuel resources (including imported resources);
- the development of industry and agriculture;
- increasing the employment in economic sector related to the use of RES;
- reducing the negative impact of energy on the environment;
- improving the quality of citizens' life.

Despite the fact that today RES are often more expensive than traditional sources of energy and types of fuel, it is expected that with the future development of technologies the cost of energy based on RES will be reduced and their production will become more profitable.

The overall potential of alternative energy sources in Ukraine up to 2030 is estimated at 25 TWt/h of electricity based on RES and about 2 billion tones of biofuel [2. p.106].

The direction of the strategic development of RES in the energy sector in the country must conform to the basic principles of the European community in the field of energy reflected in the Green Paper "The European strategy of constant, competitive and secure energy" (Brussels, 8.3.2006. COM (2006) 105) [3], including the course selection to increase the use of renewable energy sources.

The target total capacity of alternative and renewable energy in Ukraine up to 2030 will be at least 10% of the installed capacity or 5-7 GWt (10-12 GWt including large hydro-electric power station) and the volume of production - 11-16 TWt/h (23-28 TWt/h including large hydro-electric power station). The forecast of the dynamic usage of RES up to 2030 in the base case is presented in the table.

Table

Dynamic of production of electricity from alternative and renewable energy sources in 2010-2030, TWt/h [2]

	2010	2015	2020	2025	2030
Wind power generation	0,1	0,6	1,9	3,8	7,4
Solar generation	<0,1	0,3	0,8	1,4	2,6
Small hydro-electric power stations	0,2	0,4	0,7	1,3	2,1
Biogeneration	<0,1	<0,1	0,2	0,2	0,3
Generation from other RES	<0,1	<0,1	<0,1	0,1	0,2
Total, run from RES	<0,4	<1,4	3,6	6,8	12,6

The possible development of heat production based on RES including the technology that is based on direct combustion of biomass (mainly in the form of timber and agricultural waste), the usage of geothermal energy, solar collectors and heat pumps is considered for partial replacement of natural gas as an energy source. The development of these types of heat generation in Ukraine is at an early stage: the total amount of thermal energy production does not exceed 1 million Gcal. [4].

Today the deterrent for the development of this branch is often high cost of energy generation that limits the practicality of these projects. However it is assumed that in the future, as the technology advances, the cost of thermal energy based on RES will be reduced and their production will become more profitable.

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ORGANIZATION OF THE INTERNAL CONTROL INSIDE TRADE ENTERPRICES

In the modern conditions of the diversification of the economy development and some of its components, the company management is needed not only in trustworthy and timely information about the state of the assets, but also in the necessity of their well-going safety system organization. Taking into considering the modern condition of doing business, just the control takes a special place in the activities, which contribute to the preservation of the owner property, as the person concerned, and just control permits to find possible deviations in the process of economic activity and to take measures to their eliminations. That's why improvement of the internal control organization at the trade enterprises becomes especially important and in this connection the research of the essence and its conduction mechanism is very urgent nowadays.

The conception of the control appeared in the lexicon of managers at the beginning of the XVIII century. It was formed as a system of control over the activities of the enterprise before the beginning of the twentieth century in the form of a combination of three elements: the separation of powers, staff rotation, use and analysis of accounting activity.

Later, control functions were greatly expanded and turned into organization and coordination of actions aimed at the safeguarding of assets, checking of the accounting information accuracy, improving of the business operations efficiency, adherence to the company accounting policy. Evolving and expanding the sphere of application the control has become a tool of risk control by the end of the twentieth century, where its function is closely interwoven with the risk management function - risk Management [1, p. 165].

Demands to the management of enterprises increase in the current economic conditions. These demands are caused by the need of functional activization of the control and of the process of its informational provision, as a part of management. This requires a qualitatively new theoretical comprehension of the essence and role of information security control in the company management. The transition from the traditional passive statement of the economic activity facts to the active, effective methods which allow to accumulate the information which is the real basis for the improvement of the control system efficiency at enterprises [2, p. 3].

First of all different approaches to the definition of control objectives and its peculiarities are determined by the fact that control as a system may be of two types: external and internal. The purpose and the methods of control as a process will depend on the type of control and on the authorities which carry it out.

Internal control is an integral component of a management system which enables efficient business activities of the enterprises at the appropriate level. We can

reveal shortcomings in the implementation of various operations with the help of internal control and make recommendations about their elimination.

Internal control is complex of regulated procedures for a particular enterprise which are bound up with the process of control procedures in the implementation of economic activity.

The variety of approaches to explanation of the internal control essence is connected with the different aspects of internal control realization, its function and elements in dependence of the object which is due to be checked.

The control procedures will be special at the trade organizations. It is primarily caused by the specific activity of the trade enterprises, that's why, internal control will have its own peculiarities, both in the organization and in the realization. It is especially important for trade enterprises which carry out diverse activities, which determine the necessity of the effective internal control system.

The efficient internal control organization is an important matter at the stage of elaboration of its system and its further realization. It will have a positive progress for the activity of the whole enterprise.

The organization of a control means a combination of the procedures which allow to carry out all the necessary arrangements at a sufficient level, as well as to determine their influence on the decision –making process.

However, it is necessary to note that the internal control organization will be different for the enterprises because of the specificity of their activities. That's why , it is necessary to form a number of factors which allow to take into account the peculiarities of the trade enterprises and which influence on the specificity of the internal control movement of goods organization.

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PRINCIPLES OF SYNERGETIC APPROACH TO INVESTMENT MANAGEMENT OF ENTERPRISE

Under conditions of stabilization of the economic situation, investment activity is the most important factor for sustainable growth and dynamic development of Ukrainian economy, as it is a basis for the expansion of production and reproduction innovative capacity of domestic enterprises to improve their competitiveness and efficiency of operation. However the absence of the integral highly effective system of investment policy at many enterprises, that meets the requirements of the changeable market environment and aimed at ensuring the rational use of investment resources, aggravates the problem of the improvement and development of scientific methodology and tools of investment activity, the use of which will accelerate the socio-economic development of Ukrainian enterprises through capital injections [1, p. 87].

Significant contribution to the research of problems of investment and investment protection, the development of state regulation of the investment process in modern science made: V.Bocharov, I.Blanc, Y.Bagatin, I.Boyarco, V.Grinova, L.Gritsenko, A.Danilenco, M.Denisenco, S.Zaharin, V.Coyoda, O.Peresada, O.Redcin, N.Hroush, O.Peresada et al. The analysis of recent scientific publications indicates the presence of the results of complex research concerning the development and implementation of the elements of innovation and investment mechanism.

The aim of the work is to examine the synergistic representation Investments and determining principles of synergetic approach to investment management at the enterprise providing economic and statistical evaluation of investment of domestic enterprises, identifying prospects of development of Odessa region.

The synergy as a science of evolution and self-organization of complex systems develops interdisciplinary approaches of their predecessors: the textology of A. I. Bogdanov, the system theory of L. von Bertalanfy, the cybernetics of Wiener N. However, its methods are based on the results of nonlinear mathematics and natural sciences, which study the evolution of complex systems. The history of synergetic methods associated with the names of many prominent scientists of the twentieth century.

We will consider correlation between a synergetic and traditional economy. As a synergetic economy deals with economic evolution, it is a part of theory of economic dynamics. Under this concept are adjudged a lot of theories (theory of business cycles, economic growth, many analytical methods, the correspondence principle). All these theories and methods make maintenance of traditional theory of economic dynamics which is not universal. A synergetic economy extends it, forms the sources of complication of economic evolution, foremost, in instability and non-linearity, instead of in firmness and linearity, as it is incident to the traditional economy. Considerable

part in a synergetic economy is acted by mathematics which helps express clearly, that is understood under instability, cyclic development, chaos etc. Synergetic economy is based on the interaction of different variables and different levels of the system.

To improve the reliability and efficiency of enterprise there is a need to restore the form and methods of investment management. This is due to the fact that in reality the concrete impact of investment does not always lead to the desired result.

Synergetic model of dynamic investment processes is a model of nonlinear, nonequilibrium systems that are exposed to the fluctuations (changes). In the investment process there can be a major force target. The development of this system in steady state region is the result of a combination of management options (intentional and necessary) and random events that complement each other in the process of a new complex structure. Summary of investment processes are mainly determined by the nature of the target, which is caused by how accurately and completely the needs and interests of the organization and its individual groups are expressed in the goals (operational, medium, strategic).

Thus, the purpose of forming investment permeates and defines all stages of management: information, organization, coordination, control. It underlies the general principle of synergetic management - combining a systematic approach and methods of nonlinear dynamics [2, p. 59].

As for investing activities of Odessa region, we note that the economic situation in the region remains volatile because it does not create the proper conditions for economic growth, stored and acute economic and social problems, the existence of inflationary expectations, which require urgent revitalization of public investment policy, primarily by creating business and investment climate.

As of January 1, 2012 the total amount of various foreign investments in the Odessa region was 1518.9 million dol. USA (currency-adjusted). Odessa region ranked seventh among the regions and cities of Ukraine in terms of foreign direct investment. The region in 1204 invested enterprises, foreign direct investments came from 73 countries. Foreign direct investment (equity) per capita of the region on January 1, 2012 amounted to 513.9 dol. USA [3].

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EXPRESS DIAGNOSTICS OF FINANCIAL STATE OF THE ENTERPRISE MEANS LIQUID CASH FLOW

One of the signs that allows to classify cash flows of the enterprise is an opportunity to ensure the solvency of the company. There are two types of cash flow that can be defined according to this sign: liquid and illiquid.

Liquid cash flow is one of the indicators which characterizes the financial stability of the company. It shows the changes in net credit position of the company within a certain period. Net credit position – is the difference between the sum of credits received by firms and magnitude of money [1, p. 119].

Zagorodniy A. gives the following definition of liquid cash flow – the cash flow, for which the ratio of supplementary (incoming) (F_i) and negative (output) (F_o) flows for a certain time is not less than one, that means that the conditions are met ($\frac{F_i}{F_o} \geq 1$) and illiquid – cash flow for which the ratio of supplementary (incoming) (F_i) and negative (output) (F_o) flows for a certain time is less than one, that means that conditions are observed ($\frac{F_i}{F_o} < 1$) [2, p. 703].

Liquid cash flow is closely related to the indicator of financial leverage (lever), which shows the extent to which the activities of the enterprise may be improved by bank credits.

The effect of financial leverage (DFL) is calculated using the formula:

$$DFL = (1 - TRP) \cdot (ROA - \bar{C}_A) \cdot \frac{LC}{EC}, \quad (1)$$

where TRP – Tax Rate Profit, the proportion of units;
 R_{OA} – return on assets, %
 \bar{C}_A – the calculated average interest rate on the credit, %;
 LC – Loan Capital;
 EC – Equity Capital;
 $\frac{LC}{EC}$ – debt ratio (financial dependence).

By a positive DFL meaning, return on equity increases (provided that $ROA > \bar{C}_A$). By a negative DFL value, return on equity decreases, this means that a credit received by the company was not used appropriately.

Financial leverage can be regarded as an objective factor that arises with the appearance of borrowed funds in the company and provides an additional net income to equity.

It should be noted that the liquid cash flow is an indicator of deficient or excessive cash balances of the company if it fully covers all debt obligations. The formula for calculating liquid cash flow is as follows:

$$LCF = (LTC_e + CC_e - C_e) - (LTC_b + CC_b - C_b), \quad (2)$$

where:

- LCF – liquid cash flow;
- LTC_e – Long Term Credits at the end of period;
- CC_e – Current Credits at the end of period;
- C_e – Cash at the end of period;
- LTC_b – Long Term Credits at beginning of the period;
- CC_b – Current Credits at beginning of the period;
- C_b – Cash at beginning of the period.

The difference between the rate of liquid cash flow from other liquidity markers (absolute, fast, current) is that the latter characterize the company's ability to repay its liabilities, so they are more important for outside stakeholders (creditors). And liquid cash flow characterizes the absolute value of cash received from the ordinary activities of the enterprise and therefore is more "internal", closely related to the efficiency of operation of the business, it is important for its managers and owners, as well as potential investors. This indicator shows the impact of loans and credits on the effectiveness of enterprise's activity and ensures its financial flexibility. Liquid cash flow can be used for express diagnostics of the financial condition of the enterprise. Calculation of liquid cash flow can be made by the indexes of the cash flows and by the balance of funds in the accounts.

Unfortunately, the liquid cash flow has not become a widespread practice for rapid diagnosis at enterprises, but it is used by some banks in their work to determine the creditworthiness of customers, because it may help to define solvency.

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E-BANKING IN POLAND AS A MODERN FORM OF BANK ACCOUNT SERVICES

The development of information and communication technologies and the Internet has allowed banks to gain new possibilities to offer their services and products. Therefore, e-banking is one of the fastest growing segments in banking in Poland. It is happening because of the rapid evolution of the Internet and information and communication media. Extensive opportunities in e-banking help to retain existing and reach to potential customers, which is of great importance in connection with the development of banks and their products and services [2,pp.15-18]. However, this is still a new form of bank account management as well as a new distribution channel for banking products and services. It has been observed that e-banking is becoming more efficient and customer-friendly. The number of e-banking customers is growing rapidly, which allows for its fast development and more attractive offers. A report of the Union of Polish Banks shows that at the end of 2012 about 21 million Poles were using this form of banking [5]. Banks when competing for customers introduce various new forms of activities that enhance comfort and quality of their services. Banking platforms are becoming more efficient because of: e-banking, home banking, telephone banking, mobile banking and interactive TV. The main cashless payment instruments include credit cards and electronic money [1, p.102]. Whereas e-banking Web 2.0 makes it possible to determine the direction of the growth of banking activities in remote service channels [3, p.67].

Moreover, it also carries a low cost of use, accessibility and convenience. Thus, an increasing number of bank customers will choose this kind of services, because it is more convenient, better and more customer-friendly [4, p.67]. One day it is likely to become the only form of banking services.

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CULTURAL MARKETING OF KURPIOWSKI REGION

Contemporary economic ups and down should inseparably accompanied by systematic development of culture. To draw public attention exclusively on economic issues and the material can cause losse of cultural identity, the disappearance of traditional social bonds. The condition of continuity of culture is to revive our heritage, using our own unique cultural tradition, understood as one of many components of a single human culture [2, s. 23-25].

Kurpie region is a land of beautiful, not really discovered its rich landscape and historical monuments, the knowledge of which gives an understanding of Polish culture and tradition. Kurpie does not need large bodies of water or the beautiful mountains to be an attractive region. Just by that it has its own unique cultural values that have a significant impact on the development of tourism. Undoubtedly, this region attracts tourists folklore. This shows an interesting past and distinctive cultural achievements of the population living in areas of old forest [1, s.33-36].

This article draws attention to the importance the culture for the economy of the region. It is the component that connects its people and promotes cooperation for the development of the territory. An indispensable part of this work is to use marketing tools that increase interest in the region is through culture. But it is different in almost every part of the Polish, which in addition to separation of access to natural resources and topography of the area makes it a product of culture combine seeing it right now with some of the region.

Promotion of the culture of the territory is mainly deal by local authorities and cultural institutions to set up [3, s. 13-15]. Studies have shown that in the region business is the most justified because: it leads to the fact that the region finds itself more and more people; organized cultural events attract more and more customers, businesses operating in the area to benefit from the naming of the cultural terrain Forest Green.

Concludes action taken by Kurpie cultural organizations in the form of published books, magazines, Internet activity, especially through the organization showing the rites formerly cultivated by the people of that region are delivering the expected results. In the analyzed period increased the number of foreign tourists places in the district ostrołęcki, the number of buyers of the product which are described in the work of cultural events and have an indirect effect on economic growth other region.

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CHILDREN PERCEPTION OF TV ADS

Advertise with us almost from the moment of birth. Established her presence in our lives. The recipients of advertising are both adults and children [1, s.45-47]. Advertising spots are issued frequently, by all television stations, which means that the child has to deal with a large and quite diverse in advertising [2, s. 87-89].

The aim of this study was to investigate how children of primary school assess TV commercials. To obtain the necessary information used diagnostic survey method, in which the author's research tool was a questionnaire. Moreover, the study used the observation method based on an analysis of the children perception of mobile phone advertising.

The information collected show a high level of interest in to see world of advertising for a young audience. They are aware that they spend a lot of time TV ads. It can be even say that this is one of the many leisure activities. The study shows that TV ads have a huge impact on children. This effect manifests itself in increasing awareness of the desire for advertised products. However, there were also negative side of this phenomenon. Advertising interact so strongly that children necessitate even on adults buying specific sweets, toys and other products advertised. Different types of content presented on television by children generally received literally. They attach great importance to this emotional. This is because they do not have such knowledge and experience as adults. They know that the ads do not fully represent reality, but they usually want to take possession of your products. Disappointing when you purchased the product does not meet their expectations. Children in most susceptible to persuasion this form of promotion. They believe that if they come into possession of products will be more popular among their peers. The needs of children are not focused only on the usual toys and sweets. The perception of mobile phone advertising has shown great interest in products that are not entirely designed for them. In addition, children were able to determine which products are in vogue, and which is no longer on the market.

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STATISTICAL ANALYSIS OF THE CREATION OF ACCUMULATIVE RESOURCES OF NON-FINANCIAL CORPORATIONS

One of the important ways of a stable economic growth of non-financial corporations' sector (NFC) is an accumulation of savings and investments in order to overcome a critical depreciation of fixed capital.

First of all, accumulation of fixed assets implies the investment of available funds, which relies on the current flow of savings and, secondly, loan capital usage that has to be temporary, minor [Shynkaruk, 2007¹].

Objective of this work is an analysis of the creation of accumulative resources of non-financial corporations of Ukraine.

Analysis of gross value added during 2001-2011 shows a change of proportions in intersectional distribution. The specific weight of NFC in gross added value of Ukraine during the specified period decreased by 4.4 pp and was equal to 62.9% in 2011 (table 1). Decreasing of a share of NFC in gross income of Ukraine also shows a decrease of involvement of non-financial corporations in creation of value added.

Table 1
Specific weight of a sector of non-financial corporations in outcome indicators of economic activity of Ukraine, percent

Specific Weight of	2000	2005	2010	2011
Sector's gross value added in country's gross value added	67.3	66.0	62.1	62.9
Sector's gross operating surplus in country's gross operating surplus	56.3	58.4	56.4	55.8
Sector's gross balance of primary incomes in gross national income	19.1	15.6	8.3	7.6
Sector's gross disposable income in country's gross disposable income	10.9	9.2	3.6	2.7
Sector's gross saving in gross domestic product	10.9	9.4	3.7	2.8

Resources of savings of a sector of non-financial corporations are significantly reduced on a stage of distribution of primary income. This is an objective process. However, sector's share in gross national income during 11 years was decreased by almost 12% due to the redistribution of income from property and other factors (primarily for the benefits of households).

National income on the economy's level or gross balance of primary income on the sector's level are transformed (through obtaining and payment of current transfers) into disposable income. Disposable income of NFC during the analyzed period significantly decreased, it's share in disposable income of a country dropped and accounted for only 2.7% in 2011.

Sector of non-financial corporations doesn't take part in operations of final consumption, therefore entire disposable income is used for savings, which proves the necessity of the growth of this particular income as a renewal source of fixed capital [Mylashko, 2012²].

Net savings of non-financial corporations during previous years gets negative (table 2). This indicates a significant deficit of savings of the main products manufacturer and certain disbalances in the redistribution of income.

Table 2

Dynamics of indicators of saving and lending (borrowing) of sector of non-financial corporations, UAH, mln.

Year	Net savings	Net lending (+), Net borrowing (-)
2000	-5247	-4145
2005	1881	-33752
2010	-51248	-99752
2011	-62289	-145487

During the analyzed period, non-financial corporations are borrowers of funds needed for fixed capital accumulation (table 2). That is, there is no even basic reproduction which can be defined as an important factor of crisis of NFC. [Pidgorny, 2012³].

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FOSTERING COMPETITIVENESS OF AN ENTERPRISE BY DEVELOPING ITS INFORMATIONAL CAPABILITIES

In the framework of Resource Based View (RBV) competitiveness of an enterprise is determined by possession of resources, satisfying simultaneously four basic requirements: valuable, rarity, being imperfectly imitable, and absence of equivalent substitutes [1, pp. 24,85; 2, p. 101; 3]. However, it is difficult for many firms with limited internal resources to meet these conditions. Hence, it is essential that different resources be cost-effectively combined and gainfully used for achieving competitive advantage. This, in turn depends upon a firm's capabilities or core competences.

In today's economy information is often regarded as a unique and valuable, sometimes crucial resource. Consequently, the potential of capabilities of proceeding information to provide enterprises with competitive advantage has become a topic of interest for many scholars and practitioners. Information capabilities (IC) are defined as a firm's ability to advantageously use information and communication technology functions or applications in their business activities, such as, e-mails, website, e-commerce, web conferencing, intranet, extranet and other business-related technological tools. [4, p. 322]

However, simple investments in development of IC or related processes are insufficient for creating of competitive advantage since competitors can easily imitate it. Thus investing in IC does not inevitably lead to competitive advantages. Therefore, when investigating IC, the point of attention should be put on whether business is able to create unique informational resources and skills that may lead to superior performance.

There may be defined three key aspects of advantageous use of IC: internal use; use for collaboration, and use for communication.

Internal use means that development of IC may lead development of efficient processes and activities that reduce the cost of production. Firms are also able to improve their document handling and use financial and accounting applications, which further helps them to achieve internal efficiency IC is also viewed as an important tool for environmental scanning, keeping check on competitors, checking for new ideas, etc. This enhances the firm's ability to take calculated risks that can translate into successful strategic plans. [5]

Use for collaboration: IC has a profound impact on technological links between the firm and its partners, including customers, competitors and other public. Electronic data interchange; networks and other information systems keep a stable connection with the trading partners; it fosters sharing of knowledge and better performance in trade exchange.

Use for communications: due to well developed IC, firms can use distance-

spanning in their workflow that permits not only to further reduce costs of operations, but to include more partners in business and sharing of risks. This aspect has a positive impact on a firm's communication with its trading partners.

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CUSTOMER TRUST TO THE INSURANCE COMPANY

Trust plays an important role in the contemporary world [1, p. 87]. This as well applies to the business relations developed in Polish economy environment [2, p. 64]. Not only does trust lead to open, innovative and spontaneous activities, but it also strengthens community bonds, and therefore, contributes to the development of both community potential and subjectivity [3, p. 19-22].

Trust is an omnipresent value. It underlies the existence of any relation. Trust is one of the most important factors determining customer decisions. It is considered to be a phenomenon characteristic of the contemporary world, the phenomenon related to the division and specialization of work [5, p. 85].

Loyalty in business is built by developing brand position and potential to a degree, which satisfies or exceeds customers' expectations. Brand reliability constitutes grounds for loyalty which relies on customers' satisfaction [7, p. 388].

Honesty and reliability of insurance companies are required to be of the utmost degree. Financial Sector is referred to as the sector of public trust. PZU Insurance Company is one of the largest financial institutions as well as Poland's most recognizable brand.

The analysis of the degree of loyalty to the largest Polish insurance company,

which is PZU S.A., constitutes the primary objective of the article. The method of diagnostic survey in the form of the Internet questionnaire was applied to carry out the research. The research, which involved randomly chosen people, presumably the individuals who were accustomed to PZU services, was conducted in March and April of 2013. 140 people were subjected to the survey. The researched sample group was diversified in terms of their gender, age, educational background and income.

PZU is a company with a long tradition of operating on the insurance market. PZU brand evokes positive associations. The respondents particularly value high working standards of the company staff as well as their competence in selling products the company offers. Critical opinions mostly concern the process of damage repairs.

Customer loyalty constitutes a key factor determining customer choice of an insurance company. What also constitutes a crucial determinant is the quality of the services offered by an insurance institution. As far as choosing an insurance agency is concerned, it has been found that on-line services and the payment mode are of the least importance.

The research confirmed a strong position of PZU company. The largest insurance company offers, according to the respondents, a wide array of products, and the people surveyed claimed to be satisfied with the company services.

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MANAGEMENT OF ENTERPRENEURIAL RISKS AS A WAY TO IMPROVE LEVEL OF COMPETITIVENESS OF ENTERPRISE

Any economic activity is always associated with certain risks. In order to protect the business from unforeseen spendings management of enterprise must constantly search for ways to reduce the risk, id est ways to control it.

The ultimate goal of risk management is to obtain the greatest profit with the optimal, acceptable for the entity's risk level, which allows to increase the level of the competitiveness of enterprise.

Choosing the strategy and tactics of risk management, the manager must follow next basic principles:

- it is inappropriate to risk with the possibility to lose something greater to gain something smaller;

- it is inappropriate to risk with the possibility to lose something bigger than own founds;

- it is necessary to take care (make prediction) beforehand of the possible (probable) consequences of risk [Vitlinsky, 2000¹].

The economic literature offers a number of ways and methods of risk management. We believe, the main among them are the following:

- risk avoidance;
- risk-taking;
- risk reduction.

Avoidance of risk involves the rejection of any financial actions associated with risk. However, avoidance of risk for enterprise often means giving up income, which is associated with the risk of unused capacity. This way businessman deprives himself of the opportunity to use the active component of risk, on which nowadays are being built all schemes of profit increment. In other words, avoidance of risk is the opposite to the efficiency of capital usage.

Risk-taking is a rejection of any action to reduce or transfer risk. However, investing in a particular case, the investor must be sure that he has the capabilities to cover certain costs or that those costs do not threaten him.

Risk reducing can be powered either by external means (through its distribution or insurance) or by internal resources (distribution of financial and material means with taking into account the principles of limitation and diversification).

The task of distribution of risk is to put some responsibility for the risk upon certain accomplice of the investment project, who is more capable to control the risk.

The most common form of risk transfer is insurance against losses in situations, when responsibility for those losses in case of a particular risk takes another organization for fixed fee.

Among the internal ways of reducing risk diversification occupies a special place. It represents the distribution of investments among different types of activities that are not directly related to each other. In this case, if as a result of unforeseen events one activity is flawed; different type of activity would still generate income [Nazarova, 2003²].

Activities of investment funds that sell their shares to customers and invest received funds in various securities that bring steady average revenue are based on the principle of diversification.

Diversification allows reducing production, commercial and investment risks. It is used primarily to neutralize the negative effects of non-systematic types of risks.

A mild form of risk reduction is considered to be risk limitation. It provides the establishment of limits of freedom for making decisions under risk in the course of business. In practice, the implementation of methods of risk limiting is the establishment of maximum amount of credit available to the client, limiting proportion of borrowed funds in total amount of assets, as well as limiting allowable costs of any particular type of resource, and so on.

Risk reduction is also possible through the creation of reserves and stocks to cover probable unexpected expenses in the future, id est through creation something like self-insurance. Self-insurance is appropriate in cases when the value of insured property is relatively small in comparison with property and financial criteria of the whole business. It also makes sense when the probability of loss is extremely small.

One of the key ways to reduce risk for the enterprise is to get additional information. Naturally, if the manager had the most complete information he would be able to make the best prognosis and reduce the degree of risk. This makes information to become a commodity for which managers (investors) are willing to pay large sums of money [Vitlinsky, 2000¹].

The existence of different directions and techniques of risk management gives entrepreneur a problem of choosing the most appropriate method in a given situation. The choice of the certain method depends on the experience and capabilities of the entity. But the best option is a combination of several methods. Only in this case, the enterprise can count on the improving of competitiveness level and increasing of its income while minimizing risks.

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STRATEGIC MANAGEMENT OF INNOVATIVE DEVELOPMENT OF ENTERPRISE

Current economic conditions and market environment require rethinking of approaches to the organization of functioning of enterprises and in-depth studying of factors and management tools of goals' achievement. Therefore, enterprise strategy is crucial for formation of position of enterprise, market position and selection of the area of business interest.

Strategy is the basis for making important decisions in the process of production and sale of goods, such as: the choice of consumer groups and individual consumers for meeting their needs; selection of the most efficient technologies and manufacturing processes in terms of resources and costs; determination of optimal volume of production and location of enterprise; usage of new market alternatives and so on. The concept of business strategy appeared in the 50's due to objective process of active changes in the environment of commercial structures that led to the necessity of modeling of future development of enterprise and entrepreneurship with taking into consideration forecasted socio-economic changes.

Establishment of strategic goals of business activity and means to achieve them is rather difficult problem of scientific forecasting. It is organically linked with the search of new impulses of intensifying of economic and technological renewal and development, and with features of domestic investment and involving of external funds for investment and innovation. The future competitiveness of the enterprise also depends on correctly generated development strategy.

There are several features that distinguish the economic strategy from the current business management (planning). The first feature tells about the fact that process of development of economic strategy is not completed by any immediate action. It usually ends with the establishment of the general destinations which should ensure the achievement of desired level of competitiveness of enterprise.

The second feature is related to the quality and amount of information needed for making strategic and operating decisions. During the formation of the economic strategy it is difficult to anticipate all the possibilities that will open in the process of compiling of specific strategic project. Therefore we have to use generalized, incomplete and inaccurate information about different options, which leads to appearance of uncertainty in the assessment of the external environment of enterprise, goals uncertainty, incertitude in actions of competitors. As a result of this economic strategy produces so called "zone of uncertainty" which is represented as set of options of development of the company, and each of those options is optimal under certain actually possible combination of external conditions.

The third feature is reflected in the significant strengthening of the role of feedback in the process of development of economic strategy. Because in the process of making strategic decisions new alternatives are constantly emerging, targeted search of the best solutions is carried out, more complete and reliable information about these or other strategic areas appears. Initially the outlined goals of strategic development may be subjected to updating or may be simply rejected. Because of this the development of economic strategy is represented as cyclical process with continuous adjustment of the initial goals as a result of specifying information about the factors that determine the competitiveness of enterprises in the study term.

The fourth feature of an economic strategy is described by the fact that at the level of strategic planning - as opposed to the planning at the tactical level - it is rather difficult to determine the absolute levels of usefulness of certain strategic decisions. The aim to choose the best decisions leads to the need to use indicators, based on combination of parameters that are subjected to translation in absolute indicators (for example, the cost in monetary value), and ordinal, qualitative indicators that are expressed in point scale of assessments.

In our opinion, the following conditions should exist in order to develop and implement an effective innovation strategy at the enterprise:

- general enterprise strategy, which determines volumes and types of products;
- strategic control of progress of the situation in the system "products - market" that allows management of the company to quickly stop the development, which does not give the desired effect;
- precise formulation of innovation strategy that ensures that the activity of scientific and technical departments is interconnected with the general business strategy. With a large number of different projects and large budgets of scientific and technical activities there is the risk of losses, conflicts and choosing the wrong direction of development.
- effective system of project selection that allows to evaluate put forward proposals from the standpoint of specific financial and organizational goals;
- detailed description of content of the projects, according to which the progress of their implementation will be evaluated;
- well developed project management system that coordinates and supervises portfolio of projects in accordance with the strategy and operational planning;
- management control procedures that ensure efficient use of resources required for the project;
- connection of management with the efforts of individual workers that have high degree of motivation regarding successful implementation of innovative business strategy.

SOME ASPECTS OF THE STATE SUPPORT OF ENTERPRISE'S INNOVATIVE ACTIVITY

In present conditions of management a growing number of enterprises are feeling powerful role of innovation in successful organization of its activities, in strengthening their competitive position, in increasing the number of potential consumers of products (services). Taking this into account, because of their capabilities, enterprises are trying to introduce new technologies, to produce new products (or provide new services) and to improve their quality. The importance of innovation activities as one of the factors by which it is possible to accelerate the economic growth in the country is being appreciated by government. For this reason, innovation development has been standardized by a number of normative and legal acts in the country regulate. One of them is Law "About innovation activity", which defines the legal, economic and organizational principles of state regulation of innovation activity in Ukraine, establishes forms of stimulation innovation processes by the state and is aimed at supporting Ukraine's economic development through innovation [1]. The Law provides the possibility of state supporting of those business entities that implement innovative projects in Ukraine and enterprises that have innovation status regardless of their ownership.

Innovative status has enterprise, which designs, manufactures and distributes innovative products (goods and services). However, the volume of innovative products in monetary terms should not exceed 70 percent of the total amount for the reported period. Such businesses can function as Innovation Centre, a business incubator, techno, industrial park and so on.

According to official data of the Ukrainian State Statistics Committee at the beginning of 2012 in Odessa there were 50 units of innovatively active enterprises, compared to 2005 their number increased by 72%. In the region this indicator is 20.6% compared to 12.9% - in 2005 [2, p. 72]. The number of enterprises in the town which implementing the innovations are 32 ones and those which implementing innovative products are 4. In general, innovative products were sold in the amount of UAH 285.6 million [2, p. 73].

Should be remembered that the development and implementation of innovations into circulation is a risky business, which also requires a significant investment in new technologies, new equipment (mostly foreign-born). And if you do that, as noted by the researchers, "on the conditions, which are the same in other economic entities, it becomes problematic not only to get profit, but even to return money which have been invested in innovation" [3]. For this reason state takes over the organizational, financial and legal support of innovation activity.

Financial support for the implementation of innovative projects can be provided to innovation activities business from the state and local budgets, as well as through

interest-free or partial (50%) credit, full or partial compensation of interest paid on loans of innovative projects, property insurance of innovation projects insurers and governmental guarantees to commercial banks that provide loans of priority innovation projects [1, p. 17].

Thus it is necessary take into account the strategic priorities of innovation activities in the country, which by the end of 2013 declared: modernization of power stations, new and renewable energy, new energy saving technology, engineering and instrumentation as the basis of high-tech update of all industries, the development of high-quality steel, nanotechnology, microelectronics information technology, telecommunications; improvement of chemical technology, new materials, the development of biotechnology, high-tech agriculture and manufacturing, transport systems: the construction and reconstruction, and improvement of human health and the environment, the development of innovation culture society; production of vehicles, aircraft, craft and related transport equipment and machinery, components, development and implementation of new technologies for their preparation (making) [4, p. 7].

Government supporting of innovation is carried out through the implementation of targeted and innovative programs that are linked to medium-term development of the real sector and socio-economic forecasts.

Also noteworthy such moment that the status of "innovation" for the enterprise is floating. According to the rules indicated above within one reporting period enterprise can have that status, during another one – cannot. However such status gives to enterprise the right to receive a number of benefits: for example, take advantage of fast track amortization of fixed assets in the level of 20% and pay the land tax with 50% discount of current tax rate. So the innovative enterprises status and a number of benefits which can be used by enterprises are a stimulus for economic entities with significant scientific potential to go in for exclusively with innovation.

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IDENTIFICATION OF ORGANIZATIONAL CULTURE FACTORS THAT HAVE AN IMPACT ON INNOVATION IN MANUFACTURING ENTERPRISES. RESULTS OF EMPIRICAL RESEARCH

Culture is likely to have a profound and continuing effect on innovation within organizations, contributing to the development of different norms, habits, and ways of working. An innovation-oriented culture appears to be extremely important in predicting future innovation and, subsequently, organizational performance [1]. The key to success in innovation lies in making sure these two critical aspects of innovation - strategy and culture - are in alignment and working together [2]. The literature on organizational innovation emphasizes the importance of culture as a major determinant in innovation performance [3, 4].

The aim of this study was identification of factors of organizational culture which influence enterprise innovation and evaluation of this strength impact. The survey included 86 companies, mainly manufacturing from the region of Warmia and Mazury in Poland.

The analysis can confirm that the factors affecting organizational culture have an impact on innovation. The strongest and at the same time a statistically significant correlation was observed between innovation and the mission and vision of the company (Pearson correlation coefficient $R = 0.685$). The high correlation coefficients allow us to conclude that also creativity of employees, a strong commitment to work, open communication and clear communication encourage innovation. Strong correlations were observed also in the case of corporate identity ($R = 0.558$). The obtained results allow to conclude that the regular development of innovation and the use of information technology in the flow of information and decision-making processes of innovation are also important. Another interesting aspect of the analysis is the relationship of innovation and competitiveness. Companies that treat competition as a priority, implement innovations and declare that with this the company is developing. The absence of ability to deal with conflict has a negative correlation ($R = -0.627$).

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THE EFFECTIVENESS OF MARKETING STRATEGY

The further existence of company in conditions of hard competition directly depends on its development in the context of constant change. As the result of this process we must receive the company value increasing. The company value index is the main indicator of competitiveness, because it integrates all the indexes that reflect the internal situation in the company and market situation.

Many scientists distinguish economic growth and company development, understanding the economic growth as a growing of the quantitative indicators of financial -in- business. The process of the expansion is accompanied by the efficiency saving at the same level. In some other cases – even be the reducing it.

In our opinion, the company development is the qualitative transition to the new level of existing and must be based on the higher efficiency of all the processes. Such features are observed as the global economic crisis consequences. Today most companies have moved from the strategy of growing to the strategy of effective development that allows us to use reserves and to transit to the next functioning level.

Growth can occur at the expense of its own funds or borrowed funds. Unfortunately, there are no free own funds at the company, but there is also a possibility to borrow funds for the company development. Scientists separate three main sources of company growth: mergers and acquisitions, assets increasing, market share increasing. The last position can be realized directly by the company and depends on the marketing activities.

The present day, organic growth (growth through the own resources) is the most important guidelines to strengthen the competitiveness and to become the basis for the company development.

In case of organic growth the basic problems is closely with the problem of efficiency. However, there is no only one point of view in the interpretation of the problem. Therefore, strategic management suggest us to look at the problem through the goal succeed, as the result of effective strategy. In our opinion the effectiveness of the strategy should be considered in compliance with traditional methods of achieving the effectiveness, as the ratio between achieved results and wasted resources. And the strategic result have to be sorted with the costs.

Of course, the problem of the comparison the results and the costs is complicated by the time periods. The difference between the cost and the results can be ranged from several days to several years and leads to complications in work estimation, low achievement motivation, and sometimes it's failing. As a result, the development of a successful strategy not always leads to the expected results. In general the corporate strategy must be supported by a set of functional strategies, the most important among which is the marketing strategy.

Marketing strategy is one of the functional strategies of the company and determines how to achieve the objectives of the company through the marketing objectives. There is a need to analyze the sale dynamic, market situation, external factors influence to develop marketing tools and take a decision about marketing activities or new markets expanding. Functioning in the market is associated with the product functional features and economic situation in the market as a whole.

Note that the increasing of the market growth rates requires the special conditions to enhance sales, other words, to expand the sales network. In case of slower growth market decreasing it is necessary to strengthen the competitiveness of the company. Marketing strategy should take to the account the need of reducing the distribution costs.

Another line of marketing strategy is products withdrawal to the new markets. The development of this trend is needed in target markets. Also it is necessary to make their segmentation, to identify methods and tools of market entry. At this stage it is also important to calculate the effectiveness of the proposed strategy and to compare the possible volumes of profits and costs increasing. There is budget processing for the purpose of product or brand promotion. The budget efficiency is determined during the promotion campaign and on its completion. The implementation term of this strategy is small and fairly easy to determine how the certain events affected the results of the company.

The realization of the proposed strategy calls for organization changes, structure changes and staff changes at the company. The organization chart is intended for targets achievement and for harmonizing the employee's actions to maximize efficiency. The foundation of changes is shaped by events that are going on in the company. Therefore, the realization of marketing strategy depends on the organization chart flexibility. The variability of the market situation complicates the total market situation and needs a strengthening of the company competitiveness that's impossible without the company share increasing. Stirring up of marketing activities is determined by the detailed plans for different levels of the company. And all these arrangements are the mission to achieve business targets with maximum efficiency.

PECULIARITIES OF THE PLANNING OF THE ENTERPRISE'S PERSONNEL SUPPLY

The planning of the personnel supply of production is the most important component of the process of the tactical plan's formation of an industrial enterprise. Such planning is fulfilled in the context of the production program's resource substantiation, which is the system of the intercommunicated planned estimations of the industrial capacity, as well as of an enterprise's demand in the manpower and also material and financial resources by itself.

It is to be mentioned that the planning of the personnel supply of production is a considerably more complex task in comparison with the planning of the industrial pecuniary and material factors, and this fact is pointed out by a number of the well-known economists in their works [1, p. 384 and other ones]. The complication of the indicated task's solution is stipulated by the specific character of the present resource.

An enterprise's personnel is not a usual resource. Firstly, it creates the value which is more than it costs itself; secondly, it is impossible to realize any production without its attraction; thirdly, the effectiveness of usage of all the resources involved in the production depends on it in the great part [2, p. 203]. Fourthly, the working collective of an enterprise does not represent the algebraic sum of its individual workers and this factor stipulates the necessity of taking of the synergetic effect into account in the personnel's planning, and the estimation of this effect seems to be a rather complicated task a present [1, p. 384 and other ones]. Fifthly, personnel is the main object and subject of management at an enterprise. But the main thing is the fact that the present resource demands the specific means of management of the effectiveness of its usage, namely the special personnel politics, which is understood as "the system of the theoretical opinions and ideas and principles which define the main directions of the work with the personnel, as well as its forms and methods" [3, p. 128].

The peculiarities of an enterprise's manpower considered above stipulate specific demands which are claimed to the planning of the personnel supply of production and an enterprise. The present task may be solved successfully only as a result of the realization of the complete set of the intercommunicated planned estimations carried out in the system of the personnel planning, the aims of which exceed both the limits of the task of the resource supply of production and the limits of the task of the personnel supply of an enterprise. So the personnel planning is directed both at the production tasks' solution and the satisfaction of the workers' interests and requirements. "It is important for an enterprise to have the personnel in the needed time and at the needed place and also in the definite quantity and of the appropriate qualification, and it is important for the workers to have the normal

conditions of work and the stability of employment and the justice of payment” [4, p. 189].

Hence logically two global aims (tasks) of the personnel planning at an enterprise follow:

- personnel supply of production and an enterprise;
- ensuring of favourable conditions of work and all-round development of an enterprise’s workers.

In the direction of the first aim’s achievement it is necessary to solve quite a number of the particular tasks, including: 1) the estimation of the available personnel; 2) the determination of the current and long-term requirements in the personnel of the appropriate occupations and professions and professional levels; 3) the labour market’s exploration; 4) the determination of inner and external sources of the satisfaction of the requirements in the personnel; 5) the substantiation of the effective directions and ways of raising of the productivity of labour.

The second aim, bound with the satisfaction of the workers’ interests and requirements, has the independent meaning, on the one hand, but on the other hand, it bears the subordinate character with respect to the first aim, since it is the instrument of an enterprise’s personnel supply. So besides the ensuring of the effective material stimuli here is what it is necessary for the means of the attraction and securing of the highly trained manpower at the modern enterprises:

- creation of the favourable conditions of work and recreation [1, p. 384], as well as the social and psychological climate in the collective body [5, p. 135];
- ensuring of the high quality of the labour life (a worker’s satisfaction with his work and enriching of the content of labour) [5, p. 134];
- creation of the conditions for the maximum opening of the capacities of the workers [4, p. 190] and their all-round development.

The necessity of realization of the mentioned measures for the means of achievement of the second global aim not only considerably complicates the process of planning of the personnel supply of an enterprise but also stipulates the significant increase in cost for the present task being solved.

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MANAGEMENT STYLES AND RELATIONS BETWEEN MANAGERS AND EMPLOYEES IN POLISH COMPANIES

The results of the research on the management styles and superior—subordinate relations in Polish production companies were presented in the thesis. It has been essayed to indicate the dependency between the management style and the level of relationship between a superior and a subordinate.

In the theoretical part of the dissertation the theory of Blake and Mouton management grid as well as some management styles have been discussed. Moreover, it also discusses the problematic aspects of superior – subordinate relations. In these deliberations, a special attention has been paid to the approach resulting from LMX theory (Leader-Member Exchange). Theoretical assumptions of LMX allowed initiating the research over the possibility of differentiating the relationships between the leader and the subordinates [1].

A self assessment management style test has been used to identify the management styles [2]. Relationship assessment between the superior and the subordinate was made on the basis of the questionnaire [3, 4]. The results of the research indicate that the democratic style is dominating. The managers are more focused on the people than the tasks. And the relationships between the superior and the subordinate can be defined as good or very good.

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USE OF THE VAIC COEFFICIENT IN ESTIMATING OF THE ASSETS VALUE

The evolutionary process in modern economics has created the mass changes that caused global market change. To the similar changes must be referred the increasing role of immaterial resources being a part of economic entities. Now you can witness the creation of competitive advantages of company via immaterial resources and intellectual capital. Effective and efficient intangible assets management aimed to increase value of a company makes an essential problem to be solved. In this case, the instrument is variety of methods in estimating intellectual capital one of which is a Value Added Intellectual Coefficient (VAIC).

This coefficient was proposed by A. PULIK in 2000 and it allows company to determine the contribution to added value of tangible and intangible assets. The larger the size of the coefficient, the better company use its potential. The general index formula is as follows:

$$\text{VAIC} = \text{CEE} + \text{HCE} + \text{SCE}, \quad (1)$$

where CEE – Capital Employed Efficiency;

HCE – Human Capital Efficiency;

SCE – Structural Capital Efficiency.

First of all it is necessary to determine the value added VA:

$$\text{VA} = \text{earnings} - \text{expenses, not considering labour costs} \quad (2)$$

The efficiency formula of use of capital employed (CEE) is as follows:

$$\text{CEE} = \text{VA} / \text{CE} \quad (3)$$

where CE – book value of firm's net assets (such as physical assets and financial capital), which is a proxy for tangible resources.

The efficiency of human capital assets (HCE) use is determined as follows:

$$\text{HCE} = \text{VA} / \text{HC} \quad (4)$$

where HC – total salary and wage expenditure for the company.

This component of VAIC attempts to capture how much VA created by a unit of money is spent on employees.

The increase in this ratio reflects improvement of employee productivity, which in turn is transformed into an increase in value throughout the organization.

Calculate structural capital efficiency (SCE):

$$\text{SCE} = \text{SC} / \text{VA} \quad (5)$$

where SC represents structural capital, which is derived from subtracting human capital from value added ($\text{SC} = \text{VA} - \text{HC}$).

Structural capital efficiency (SCE) is reflected by the proportion of total value added accounted for by structural capital.

Figure 1 represents schematically the method of Value Added Intellectual Coefficient calculation

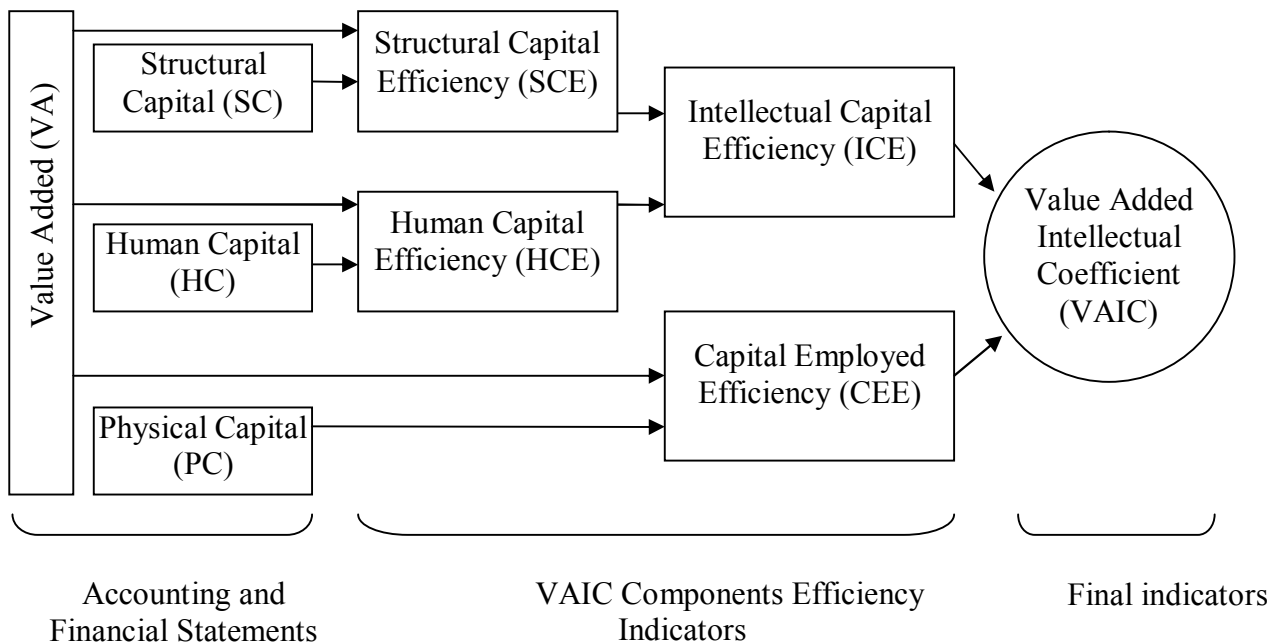


Figure 1. Method of VAIC calculation description

Advantages of the proposed method are as follows:

- VAIC is a standardized estimate of the intellectual capital effectiveness allowing to make research on large samples (both countrywide and trade-wise);
- the initial data for VAIC methodology is based on the information verified by auditors.

It may be referred to disadvantage that:

- the majority of intellectual capital elements under VAIC are estimations received from financial statement only;
- final results reliability is connected with reliability of financial statement data;
- there is a weak empirical evidence of the connection of intellectual capital efficiency under VAIC with the financial results.

Therefore, Value Added Intellectual Coefficient is a fully-featured indicator, able to estimate the relative efficiency and the company's ability to produce intellectual capital. VAIC determines analytically the value of intangible assets and intellectual capital for established companies being at sustainable development stage.

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COMPETITIVE RECOVERY AT CREATING LOGISTIC CENTER BY ASSOCIATED ENTERPRISES

Under present-day competitive conditions the successful operation of an enterprise depends on the use of the logistics concept and warehousing in particular. World experience shows that the application of logistics management may provide enterprise the opportunity to achieve financial stability, bring it on a higher level of development.

But logistization of modern enterprises is a rather cost-based process so enterprise managers are to identify lines of logistics activities, provided that these lines correspond the strategic lines of an enterprise. Transferring logistics functions to outsourcing companies may become one of these lines.

The author shares the views of E.G. Bagirov[1. C.112-117], I.Ey. Matviy[2, c.197-201], L.O. Ligonenko [3, c.115-125] that there is no proper operator of logistics outsourcing and enterprises often collaborate with several operators as there is no operator that would provide a full range of logistics services, as there is in Europe and in the USA. In addition, along with the advantages of logistics services outsourcing, there is a number of risks and disadvantages that arise when enterprises transfer logistic functions (business processes) to a third party (logistic) as an independent entity. Creating your own logistics center will minimize or even completely avoid these risks and drawbacks.

By definition of I.Fehner [4, 38] logistics center is a spatial object of delineated functionality of proper infrastructure and the organization of activities by which logistics services related to receiving, warehousing, distribution (consolidation/deconsolidation) and sending goods and related services provided by third parties against the sender or recipient entities are negotiated.

But the creation of a logistics center is unaffordable and inappropriate for an individual enterprise. The author's idea provides a joint investment of one branch industrial enterprises of a city or region to create a logistics center, which will provide logistic services as third party (3 PL - operator). Gradually, with the economic development of a logistic center and expansion of its logistic and related services, it will evolve as it is shown in Figure 1.

One of the major advantages for this is maintaining fair competition in the industry and the region, as the enterprises are partners dependent on each other. Machine industry enterprises of Melitopol are an example of such a situation, where every enterprise is a supplier or customer of another one.

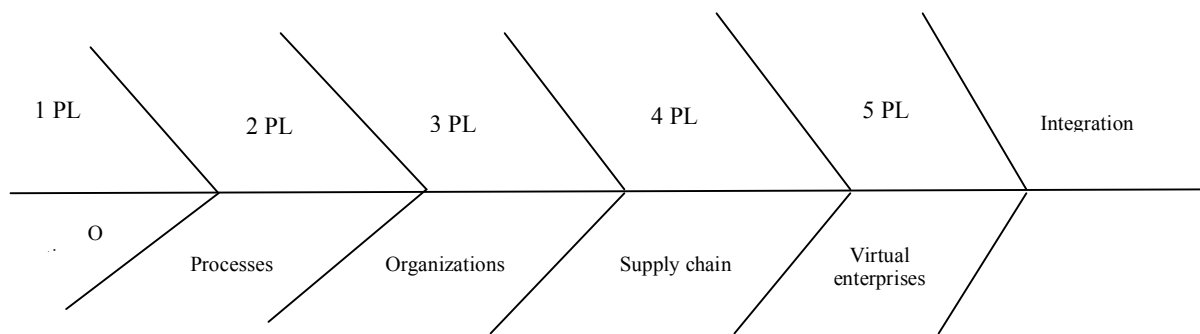


Figure 1. Evolution of the logistics operator on the background of integration in the supply chain

Each enterprise will be a link of the same logistic chain and will be on the way to a gradual horizontal integration of economic relations within this supply chain. Coordinated and integrated management of key processes of the economic activity of enterprises, as well as all the logistics flows management would reduce the overall costs of enterprises, which is the main purpose of improving their performance.

Transfer of logistic functions of enterprises to outsource functions (logistic center) will enhance the competitiveness of enterprises in the market. Due to increased efficiency operating costs and investment in logistics will be reduced. Due to quality improvement high quality market services and time saving are provided, and so are modern logistics solutions.

Thus, the logistic center suggested by the author is compatible, leading, integrated by each logistics department of associated enterprises that are linked with strong economic and legal relations. In addition, this logistic center is an essential link in the chain creating added value for each of the participating enterprises.

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IMPROVEMENT OF THE MAIN ELEMENTS OF THE ENTERPRISES PROFITS TAX IN UKRAINE

Disadvantages of the design of some elements of domestic enterprises profits tax cause its ineffective functioning. So, measures of improvement of separate tax components must be taken on order to strengthen the fiscal role (i.e. budget-forming and regulatory effects) of profits taxation. For this aim, the achievements of foreign practice adapted to domestic conditions may be also used [4, p.45].

Attention should be paid to that fact, that in Ukrainian politics and business world quite a lively debates about the necessity of the changes in the tax code including the part of the enterprises profits taxation flared up after its adoption. The corresponding bills began to appear. However, in many proposals direct lobbying of business interests is seen; these interests do not always coincide with public and government, and sometimes even directly contradict them. Some of them contain a rational point. If we analyze the most known and significant projects and ideas according to the enterprises profits tax which have been published in recent years, they all can be put into two groups:

- focused on minor refinement of rules of the tax code in order to provide the precision of actions of fiscal services, the provision of unconditional compliance of tax payers' rights and the elimination of cases of one-sided interpretation of the requirements both regulatory agencies and unscrupulous tax payers;

- focused on satisfaction of financial interests of some large enterprises, financial – industrial groups, and first of all, their owners by creating opportunities of legal minimization of fees tax the state (sometimes with simultaneous withdrawal of funds from Ukrainian jurisdiction mainly to the countries and territories with offshore status).

Equally with-characterized, there are also proposals to expand the list of income, which are not considered in the profits taxation, or the range of allowed for cost accounting payers. Thus, according to the current regulation, in the case of liquidation or reduction of the authorized capital of the legal entity refunds or property to the owner of corporate rights is considered by income without taking part in the process of determining of taxable income of the receiver (if the income is not higher than the cost of acquisition of shares, interests, rates). But apart from the owner such profit may be received by his successors or heirs. Therefore inclusion of them into the group of subjects is quite justified and they should be free of tax on this transaction [2, p.127].

Directions of further modernization of domestic tax on income depend on many factors, among them there is foreign policy vector. Initially this statement seems exaggerated, because tax policy is considered to be domestic policy of each state. Tax Laws harmonization needs are determined by the international economic organizations

which the country is going to integrate in and which international associations it is going to cooperate at the priority basis with in the future. [1,p.58]

The unification of general approaches to the formation of mechanism of income tax of enterprises with developed western countries first of all actualizes the problem of providing of one principle of payers' definition (on the base of exclusion from their consist the non-corporatized entities which are based by one owner). The implementation of this proposal would allow to get stimulating effect: sole proprietors are mainly small businesses, at the same time had the opportunity to use organizational and legal form of individual (to have a number of advantages in credit-rated field) and to tax at more loyal conditions (both in fiscal and in administrative sense). Taken into the consideration the fact, from 1 January 2014 the level of rates of both income taxes in Ukraine is practically leveled, the budget losses from that date should not be expected. The revival of economic activity in the small business (as the result of such stimulating measures) will probably increase the total tax revenues of the budget [4, p.265].

The submission of the profits tax to the modernization in order to regulate and, in particular, the provision of the stimulating effect regarding the economic development requires, in our opinion, the revision of rates. The experience of many western countries demonstrates the use of progressive scale and combination of progression and regression elements for this aim. Of course, the building of such scale requires the detailed research, which results would allow to group the subjects according to the income level. At present there isn't statistical base for the following research. However, there is a possibility to make calculations according simplified algorithm at the first stage.

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THE ANALYSIS OF FACTORS OF THE RETURN ON EQUITY

Return on equity is one of main indicator of efficiency of enterprise's activity which represents general efficiency of the used resources. Also it is the substantial factor of the financial stability of the organization. Therefore it is important for enterprise not only to define its dynamics, but also learn factors which have influenced on the changing of this index. In scientific literature and in practice there are generally used the models with the help of which, it can be possible to find out the factors of index, the value of the influence [1, p.477-478].

We consider the data of the «Kievkhleb PJSC». It is large-scale bread-making plant. We examine the influence of the factors on return on equity. The criterion of the selection of this enterprise was the growth of the return on equity during 2011-2012, as many bread-baking plants, activity of which was analyzed, incurred losses. It was impossible to calculate the return on equity and identified the factors' influence.

On the basis of the table 1 we will define influence of factors on the return on equity «Kievkhleb PJSC» [2].

Table 1. The information for the calculation the return on equity, mln. UAH

The activities	The assets	The equity capital	The loan capital	The sales income	The net earnings after taxes
2011	455, 4	154, 6	300, 8	1 759, 7	10, 4
2012	457, 9	158, 2	299, 7	1 943, 5	18, 3

The review of the economic literature has shown that under the analysis of the return on equity it is often used the method of chain lookup. However, we consider it is appropriate to apply the method to identify the isolated impact of factors. We note that each of the methods has the advantages and disadvantages. Also according to the position of the synergy theory this method (the isolated impact of factors) permit:

1. To define «net» effect of each factor on the effective index.
2. To identify additional synergy effect of the input factors on the indicator.

We agree with A.Yankovoy's idea that, the factors quite often interact with each other; this is reflected in the additional effect on the result. This effect of the influence of all factors on the return on equity looks like a synergistic effect. The effect can be defined with the support of a method of identifying the isolated influence of the factors. In addition, even taking into account of consecutive change of factors, it cannot be asserted that it is changing in that order. In real economic life it often happens that the first arise qualitative transformation of the conditions of production and sale of goods (services), and then – the quantitative changes [3].

**Table 2. The influence indicators 4-factors model
the return on equity of «Kievkhleb PJSC»**

The activities	Relative deviation, %
Change of the return on equity, including the following factors	71,82
the profitability of production	59,20
the turnover of borrowed (loan) capital	10,86
the financial dependence	-1,75
the concentration of loan capital	-0,91
synergistic result (effect)	4,42

We can to assert that the return on equity in 2012, in comparison with 2011, increased to 71.82 % (table 2). The growth was the result of the decline by the financial dependence, the concentration of loan capital 1.75 % and 0.91 % accordingly. However, at the same time, the indicator increased owing to the growth of the turnover of borrowed (loan) capital, the profitability of production 10.86 % and 59.20 % accordingly. The return on equity was increased by 4.42 % owing to synergistic result (effect).

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EFFICIENCY OF PROCESSES OF MANAGING OF COMPETITIVENESS IN AN ENTERPRISE

Managing of competitiveness of enterprise remains one of the main trends of research in economics and management over the years. There have been offered several theories, which define ways and means to create competitive advantages; resource-based theory (RBC) occupies a prominent place among them. Within RBC competitive advantages is concluded from an access to a specific resource that meets conditions of being rare, irreplaceable, inimitable and valuable [1]. However, now more and more companies find themselves in a situation where they are either unable to get such scarce resources, or resources, which complies with requirements of being unique and valuable just do not exist. The competitiveness of the company under such conditions is to be defined in other way – through the ability to combine various aspects and resources, emanating from internal and external environment of the organization. This ability is, in turn, depends on the dynamic capabilities of an enterprise [2]. Currently, there are four main dynamic capabilities, which define the company's ability to create or maintain competitiveness: capabilities to adapt, of absorption, of networking and of innovation [3].

Many researchers have noted that competitiveness stands the result of a specific interaction and superposition of these four dynamic capabilities. Numerous studies strongly suggest that investing in skills development as such is not necessarily generating competitive advantage. [4] Therefore, the effective development of dynamic capabilities enterprise should provide a lasting competitive advantage.

This addresses issues about the effectiveness of the interaction of dynamic capabilities and the process of management of competitiveness in general. A large number of companies, being unable to provide themselves with necessary resources for creating or maintaining of competitiveness often consider a networking, which is to be help to gather a certain number of companies and get competitive advantage for the conglomerate. These systems drive a further developing until they assure a generating of increased income for each participant based on a common workflow; members of the conglomerate may belong to different industries or markets. Many scholars call such systems as marketing (eco -) systems [5]. Thus, the efficiency of the managing of competitiveness may be defined primarily by the ability to create of, develop of and participate in marketing systems.

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ASSESSMENT OF THE FEASIBILITY OF INVESTING IN PRODUCTIVE RESOURCES OF ENTERPRISE BASED ON INCOMPLETE COBB-DOUGLAS FUNCTION

Production functions (PF) are important in the study of the influence of individual factors on the temporal variation of the effective economic features of the company, in particular Cobb-Douglas function. It is quite often when calculations for the enterprise reporting data revealed that one of the factors is insignificant and the resulting have incomplete model form:

$$y = AK^\alpha \text{ or } y = AL^\beta, \quad (1)$$

where y – output,
 K, L – capital and labor costs,
 A, α, β – unknown coefficients of PF.

Using these incomplete PF for management decisions to invest in new production is quite interesting presented, subject to a potential breakeven. For this purpose apply the approach set out for PF Cobb-Douglas in [1, 2].

The main condition of this approach is that future earnings $Pr(K)$ or $Pr(L)$ for the investment project should be an integral value, that is the break-even zone defined by the following inequalities:

$$Pr(K) = y - K = AK^\alpha - K = K(AK^{\alpha-1} - 1) \geq 0, Pr(L) = y - L = AL^\beta - L = L(AL^{\beta-1} - 1) \geq 0. \quad (2)$$

Obviously, when future investment hit to the area of losses $Pr(K) < 0$ ($Pr(L) < 0$), project that studied should be rejected in a market economy.

Since the funds invested in enterprises inputs are integral value $K \geq 0$ ($L \geq 0$), then the conditions (2) the following inequalities are valid:

$$AK^{\alpha-1} \geq 1, AL^{\beta-1} \geq 1. \quad (3)$$

Analysis inequalities (3) shows that, depending on the degree of homogeneity of the Cobb-Douglas PF $n = \alpha + \beta$ three possible cases:

1. $n = \alpha > 1$ ($n = \beta > 1$). In this situation we can talk about the positive effect of expanding output. Obviously, the size of the investment resources to ensure the profitability of the new production will be limited from below. From inequality (3) we can see that the new production will break even at

$$K \geq A^{1/(1-\alpha)}, L \geq A^{1/(1-\beta)} \quad (4)$$

and the right-hand side of formula (4) defines the lower limit of investment in capital or labor, from which the profits of the new production will be an integral value.

2. $n = \alpha < 1$ ($n = \beta < 1$). In this case we can talk about the negative effect of expanding output. Obviously, the size of investments that ensure profitability of new businesses in this situation will be limited to the top. From inequality (3) we can see that the new production will break even at

$$K \leq A^{1/(1-\alpha)}, L \leq A^{1/(1-\beta)} \quad (5)$$

and also it is possible to find the upper limit: if not to reach it, the income will be positive.

3. $n = \alpha = 1$ ($n = \beta = 1$), when we have linear homogeneity of incomplete PF Cobb-Douglas no effect on the expansion of production observed. This means that the profitability of the new production does not depend on the size of the prepaid funds in capital K or labor L . Indeed, inequality (3) implies that when $\alpha = \beta = 1$ new production will break even if

$$A \geq 1, \quad (6)$$

that for certain values of the coefficient A built PF.

Thus, the traditional use of incomplete PF Cobb-Douglas as effective instruments of economic analysis of production costs on the enterprise can be significantly extended and deepened using of indicators (4) - (6), which opens new opportunities for the researcher in forecasting break-even in areas the management of investment projects.

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THE OCCURRENCE AND STRENGTH OF CLUSTERS IN UKRAINE AND POLAND

Agglomeration of economic activity is an occurrence associated with possible positive outcomes generated in an economy. Cluster is one of the forms of agglomeration that is vital for economic development and competitiveness. Clusters are geographic concentrations of interconnected companies, specialized suppliers, service providers, firms in related industries, and associated institutions (for example universities, standards agencies, and trade associations) in particular fields that compete but also cooperate [3, p. 248]. Within their borders the occurrence of many phenomena takes place. Spillover effects may be considered one of them [2, p. 378].

Based on Marshall's industrial districts, the concept of clusters has been a way to unravel the reasons behind economic success of some regions (e.g. the Silicon Valley, the City of London, Hollywood) and failure of others. Clusters are formed in all economies, irrespective of their stage of development. They can also be present in all industries [1, p. 2]. Clusters have been a major focus of scientists and policymakers throughout the past decade. They have been incorporated in many policy agendas in the European Union. Perceived as drivers that foster competitiveness, clusters are mentioned in the Europe 2020 growth strategy [5]. Their presence and role in the economy is also underlined at country and regional levels.

Identifying and analyzing clusters can be a quite tricky pursuit as many effects generated among the entities that form them are elusive. Cluster mapping has been performed by few scientists as mainly it requires two things: data necessary to establish which relationships between firms are of key importance but most importantly resources do access this kind of data. In this paper we use the methodology on cluster mapping from the works of European Cluster Observatory [7] which in turn is based on Porter's cluster mapping in the US [4; 6]. We turn our attention to 41 types of clusters in Ukraine and Poland based on data on employment and number of entities looking for the most prominent clusters within those countries. Looking at numerous dimensions we try to answer a question on existing similarities and differences between clusters in both economies.

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MAJOR ASPECTS OF THE COMMUNICATION SERVICES DEFINITION

Today, humanity has entered a completely new phase in its development – the information society. In today significantly increasing requirements as to the quality and the number of communications services, due to the fact that communication services affecting all aspects of life as well as human activities, and society as a whole. Communication services have a significant effect on the use of modern means of communication, their economic, technological, social and cultural settings. But, next to the importance of this sector activity of society, a characteristic feature of the present stage of development of social production is a fast increase in consumption of services, and economy of various developed countries today possible to characterize as economy of services.

Today with services anyway associated all Contemporary economics. Provided services have an important role in enhancing the well-being of the population of any state. Profit firms, the level of social protection of population and income of even entire countries depends on the quality of services.

In consumers was possible to compare, stimulating, manufacturers (competitors) to provide quality services, and it all thanks to the services market.

The development of the service sectors in constant need of prerequisites for the structure of consumption the populations, growth the share of services in the economy and reducing the proportion of material consumption. Necessary is constantly introducing new forms and types of services, expand the network of companies that provide them, increase sales, and improve service quality.

Service – is enough complex social phenomenon. Services exist a long time as a kind of economic activity. Despite the fact ongoing discussion on understanding of the essence of services, offered by various scientific interpretation of the category "service".

Karl Marx researched the concept of service in the "Capital" and tie it with the effect of consumer cost of goods or certain activities. He believed that "the service is nothing but a useful effect of a consumer cost – whether of goods or of labor" [4].

The American economist Michael E. Porter believes that "the term of "service" covers a wide range of industries that perform a variety of functions for their customers, but does not include or comprise by chance sale of the real product" [2]. But he points to the ambiguity and uncertainty of defining the scope of services.

For instance, the "Economic Encyclopedia" states that the service "is expressed in the useful effect which satisfies human needs, group and society" [1].

In economics in general concept of "service" was considered an activity that does not create a national income and does not take part in the creation of the gross national product. This is what resulted to significant losses in the sphere of communication, because it reduced the share of capital investments that stood out with to this sector. Also significant losses undergone service workers because it was believed that they were not participate in the creation of national income, and therefore do not have their own payroll because they do not make profits. They relied on the fact that the work of signalers is productive and in its specificity, it takes the form of services and this is just proof that it expended in the sphere of material production.

It was then that introduced the concept of "communication products" in order to emphasize the material basis of industry and show economical identity results of labor in sphere of communication with other sectors of material production.

Today the whole sphere of communication and productive character of labor signalers assigned to the sphere of material production. Now communications caters to the public administration, and all spheres of material production and non-production sector (health, education, culture, etc.) and every single person in our country.

Nowadays, in developed countries, the communication – is more important factor of economic development and prosperity of the nation. Resolutions and documents of the Council of Europe devoted to the formation of a national policy on the Information Society, and this problem is seen as a necessary condition for the development of society, failure of which results in loss the pace of development and rejection of the leading economic and technological positions. The program of economic development of any country cannot be considered balancing and efficient if it is not enough attention paid to communication services for the development of national economy, to increase competitiveness of and until you provide a priority of the development of national communication systems.

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QUALITY AS A COMPONENT OF COMPETITIVENESS OF DAIRY ENTERPRISES

Category «competitiveness of enterprises» summarizes the wide range of problems in identifying potential opportunities of the enterprise in the competitive struggle. The competitiveness of enterprise is defined as a system that includes a set of organizational and economic components has a specific operating conditions and individual optimality criteria at each stage of its development. Quality of products is one of the main components of ensuring competitiveness of enterprises in a relatively saturated market.

Table 1
Data for comparison to actually required and industrial recycled volumes of milk 2010-2011

Name of indicators	Fat, %	Milk is necessary for the production of 1 ton, t	2010		2011	
			Production volume		Production volume	
			thousand tons	milk equivalent, th.t	thousand tons	milk equivalent, th.t
Milk processed liquid	2,5	0,74	801	592,74	891	659,34
Cream, fat content more than 8 %	18	5,29	н/д	x	н/д	X
Butter	72,5	21,32	79,5	1694,94	76,7	1635,2
Cheese fresh untwisted and cottage cheese	9	2,65	78,5	208,025	76,5	202,73
Cheeses	45	13,24	207	2740,68	178	2356,72
Dairy products	2,5	0,74	479	354,46	474	350,76
All actually needed milk	X	X	X	5935,753	X	5204,75
All industrial processed milk	X	X	X	4737	X	4615,1
The absolute difference, th.t	X	X	X	-1198,75	X	-589,65
The relative difference, %	X	X	X	-20,1955	X	-11,32

In the dairy industry, proceeding from the specificity of the product, quality is one of the most important components not only of competitive, but also of the viability

of the enterprise. However, the comparative analysis shows that in recent times the price of milk and dairy products in Ukraine exceeds the prices for the similar production in the EU countries. This fact makes the milk and dairy products very attractive for manufacturers of counterfeit products. Not heavy calculations and comparison of volumes of production and processing of milk in 2010-2011 years confirms the fact of replacement of milk raw materials to another not-dairy origin, and it means worsening of quality of dairy products.

Comparing information on the volumes of milk (table. 1) required for dairy products production and processing volumes, which gives the official statistics, it turns out that it is necessary to do more milk than officially have been processed. So we conclude that about 20 % of milk fats are substitute with vegetable fats. Such replacement occurs in the products with the highest number of fats, such as butter, cheeses. Identification of such falsification allows us to assume that the quality of dairy products do not meet the standards and quality norms, and therefore such an important part of ensuring the competitiveness as a quality cannot be estimated maximum in any milk processing plant in Ukraine, and domestic processing enterprises are losing their competitive advantages over imported products.

In our opinion, the quality control of dairy products and maintain it at a high level necessary to do from two sides: from the state the adoption of relevant laws, regulations and decrees, in which setting conditions for the production, storage and sale of milk, raw milk and dairy products; the creation of laboratories, which should be equipped with modern instruments and reagents for determination of safety performance and the quality of milk and dairy products. From the side of the organization are providing a systematic quality control and purposeful influence on the conditions and factors affecting the quality of product. Today the companies of the developed countries increasingly apply effective economic tool, such as system of quality which meets the international requirements that contained in the international and European standards of quality and certification. In our opinion, domestic enterprises should use the concept of total quality management. Total quality management (TQM) is a system that provides a comprehensive, targeted and well-coordinated application of systems and methods of quality management in all spheres of activities, from research and development to after-sales service with participation of the management and employees of all levels and with the rational use of technical possibilities.

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EXPORT STRATEGY AS AN INDISPENSABLE TOOL OF ECONOMIC GROWTH

Vietnam is a country that is rich in land resource, so products that are made of land, always become the priority of our economy. With advantage conditions about abundant resource and people, few years ago, building ceramic production work was considered as traditional work of Vietnam and brought massive profits for building ceramic production enterprises.

However, expanding in scale of production and advances of technology science is enhanced ability of building ceramic enterprises, compared with past periods. Also there is critical competition in import market accompany with the development. So we import ceramic products from other countries, such as China, Thailand. That's why it is necessarily to expand the export market to resolve products consumption problem for our company. However, as other products, the way of expanding to world market including ups and downs and export situation that has not met our potential. How to increase the export ability for Vietnam's building ceramic enterprises, to promote building ceramic become a "key sector" for nation economy? This is an urgent problem for Vietnam's building ceramic enterprises, especially the economic background of Vietnam and all over the world are changing deeply, such enterprises as Viglacera Trading Jsc. needs to promote internal force strongly to overcome economic crisis, to build Viglacera brand in domestic market and overseas markets. Based on the situation, the subject will appreciate and indicate problems that are needed to be solved and suggest solutions to increase export ability of production and export-import companies in Vietnam. Solution Groups include solution groups from Enterprise and Government; we need to have association between Enterprise and Government to develop building ceramic production.

According to statistic date 2005-2008 periods, export value of Vietnam ceramic industry was increasing continuously, from \$65,240 millions (2005) to \$130 millions (2007) and \$151 millions (2008) accordingly. However, in 2009 the changes of global economy crisis which caused the Vietnam's building ceramic industry had met too many difficulties: export value decreased \$128,6 millions only. Overcome crisis effects in 2010, ceramic export turn-over was increased again and reached at \$170,2 millions (132%, compared with 2009).

Vietnam is a "Top 5" country all over the world in export building materials, ceramic. However Vietnam is lower than China in export value about 3,5 times.

International integration and becoming an official member of WTO have brought to Vietnam enterprises free legal environment and equal in free trade to approach market of ceramic import countries.

Several years ago, Vietnam's Government was oriented to develop building ceramic industry to become priority export industry of country. So Government always

has support the capital and infrastructure, advantage policies to ceramic enterprises can promote their ability.

Vietnam is one of countries that have abundant human resource for building ceramic industry. Vietnamese labor resource has good skill and cheap cost. This is enormous advantage for developing industry; especially the specific industry needs to use many labors as building material production and exporting. With the cheap labor cost, investments are trending transfer capital investment from neighbor country to Vietnam. Condition of Vietnam's building ceramic enterprise can attract FDI capital to developing production.

There are not a lot of experiences in export, researching investment and marketing overseas, because local companies and factories focused only on domestic market.

Critical competition on market is especially strong with such rivals as China, Thailand, Italy, Spain. This is the main objective cause that brings advantages in ceramic export to Viglacera.

- To decide the research subject problems, it is needed to suggest the solutions to promote exporting building ceramic products of Viglacera:
- To promote market research: with any export enterprise, the market research has important role, which is tool to enterprise in approaching of potential customers over the world.
- To interest in training managers and staffs, who are working in export field. They need to have knowledge of export skill and foreign languages.
- To invest in facilities and machines to increase quality and diversification of product models.
- Accompany with enterprise effort. There are many problems for Government in taking role of building ceramic export support excellently.
- To make free legal environment, reduce custom clearance policies. It is necessary for enterprises to have more advantages in export activity.
- To focus on investing in building ceramic production in our country, support loans. Loans time can solve capital problem for production enterprises— one of the big problem for many enterprises.

Therefore, we can see there are many problems for building ceramic export activity in Vietnam in general. To solve the problems of export activity we need to have integrated solutions between Enterprise and Government. If we make it work excellently, Vietnam's export activity will have good results and give enormous revenue to Vietnam's ceramic export industry.

DEPRECIATION AS A SOURCE FOR FINANCING OF INNOVATIVE ACTIVITY OF ENTERPRISES

The lack of objective information about the functioning of the depreciation mechanism makes the majority of researchers make very careful and very general conclusions about its shortcomings. Because of the same reasons economists' offers to improve the depreciation mechanism are not supported by quantitative estimations of possible outputs of the proposed changes. Improvement of the depreciation mechanism is mainly seen through the prism of improvement of tax legislation and accounting in the direction of their convergence. Such approaches, in particular, can be traced in the approved Tax Code of Ukraine [1]. Some scientists suggest to eliminate existing differences between tax and accounting approaches to the definition of object of depreciation by switching to the initial cost of depreciation.

Therefore, one of the most important tasks, without which it is impossible to reliably estimate the effectiveness of the current depreciation mechanism, as well as changes made to it, should be the construction of an integrated financial, tax and statistical reporting system about the charges and usage of depreciation with taking into consideration all of the components of this process. Due to the lack of information, researchers neglect the link between the volume of accumulated depreciation and the processes of renewal of fixed assets. Given the critical importance of this connection for the economic development of Ukraine, the purpose of our research is to study the quantitative and qualitative characteristics of depreciation mechanism in terms of its impact on the investment processes as well as to make recommendations for strengthening its motivational component.

Results of our research allow us to make a conclusion that for the constant renewal of fixed assets on the innovative basis the binding of formation of depreciation resource to the process of renewal of fixed assets is needed. As the practice shows the absence of such binding leads to the inappropriate usage of depreciation, which cannot be avoided in conditions of deficit of financial resources, and to the lack of interest in renewal of fixed assets. In order to solve this problem in the current situation we can use bonus depreciation which implies attribution of part of costs on the purchase (construction) of fixed assets as part of taxpayer's gross expenses and further depreciation of the share of costs, which stays after such attribution (remaining value of fixed assets), under the general rules and regulations. Possibility of application of bonus depreciation is provided by the Law of Ukraine dated 20 January 2010, under No 1814-VI "On Amendments to Some Laws of Ukraine on State Support of Aircraft Industry in Ukraine". However, the Tax Code does not provide the applying bonus depreciation. Bonus depreciation is to be charged on most modern fixed assets such as automated lines, robots, laser equipment, etc., which should be highlighted into a separate group.

In order to stimulate the production of mentioned fixed assets in Ukraine it is appropriate to apply bonus depreciation exclusively to fixed assets, which are produced in Ukraine. At the same time the inclusion of the cost of acquisition of fixed assets to gross expenses of the taxpayer of income tax should be differentiated depending on the mass character of production of this or that fixed asset. Since Ukraine has no own production of industrial robots it would be advisable to set for these fixed assets 100% rate of assignment expenses for their acquisition on gross expenses. However, in the absence of market mechanisms for determining the actual value of fixed assets, its distortion due to long-standing practice of indexation and revaluation of fixed assets most effective in terms of motivating of targeted usage of depreciation resource is the transition to the depreciation of cost of newly imposed fixed assets exclusively.

Depreciation of newly imposed fixed assets not only equalizes approaches to the calculation of depreciation according to bookkeeping and tax accounting, but also has several other advantages. Firstly, the implementation of such an approach greatly enhances the motivation of enterprises renewal of fixed assets because depreciation will be charged exclusively to the newly fixed assets. Secondly, there is no need for conducting of indexation and revaluation of fixed assets, which significantly distort and bend both the valuation of fixed assets and accrued depreciation and degree of wear. Thirdly, the introduction of such a procedure will stimulate the growth of the demand for the products of industry including products of machine building enterprises that will be displayed in the growth of GDP. Fourthly, the establishment of differentiated rules for depreciation of groups of fixed assets based on investment priorities set by the state gives the possibility to flexibly manage the processes of investment, manufacturing and importing of fixed assets. In general calculating of depreciation of newly imposed fixed assets will make positive impact on revenues to the budget, investing activities and growth of production of means of production, which today is practically destroyed.

Thus, promising way to overcome the crisis for Ukrainian economy is providing of targeted direction of depreciation exclusively in investment in renewal of fixed assets and intangible assets, which requires further investigation of depreciation policy and implementation of its results in national legislative base

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IMPROVING THE ESTIMATION OF LABOUR COSTS EFFICIENCY

As we know wage level is one of the most important indicators of labour market functioning. In fact, is a powerful motivator of labour potential. Nowadays the remuneration of labour is a problematic question for the Ukrainian economy. Unfortunately, it is transformed into one of the version of a social assistance, which in less degree dependents on the results.

In practice the analysis of labour costs comes to analysis of formation and utilization of wage-fund. The important thing is that an improving efficiency guesses increasing of wages and betterment of the performance indicators (Gamova, 2010).

General method of labour costs calculation efficiency conventionally includes four groups of indicators: proportionality, wages-output ratio, output-wages ratio, and profitability.

The following activities are represented in the first group: a ratio of growth rate of the production volume (output, works and services) to the growth rate of wages and a ratio between growth rate of the labor productivity and the growth rate of a real wage. Indicators should be calculated twice. In the first case we are using wages-fund as a part of production and sales expenses. In another case we can use only total payroll. The second group consists of two indicators, such as the share of the wages in the production value and an own-product real wage. The third group includes four indicators responsible for the results from production volume, sales proceeds, sales income, net profit per 1 hrn. of payroll. It is also recommended calculate it twice, as the first group. The fourth group has solely one indicator named wages profitability allowing us to estimate the level of payroll efficiency (Dolinina, 2008).

According the above mentioned indices we can find the almost identical indicators. There are net profit-wages ratio and wages profitability. Also one can mention such shortcoming as lack of ratio between results of labour and a basic wage. It is well known merely that the basic wage distinguish of another parts of wages-fund governs to perform the general motivation function. The amount of basic wage forms subject to labor contribution and qualification of a particular worker.

On our opinion it is necessary to: 1) remove the indicators income-labour cost ratio to group of payroll efficiency; 2) remove the dubbed indicator of net profit per 1 UAH. of payroll; 3) add basic wage to wages-output indicators. Modified activities are represented in the figure 1.

Reducing own-product real wage is a positive result, because it increases the enterprise efficiency level, including the improvement of labor costs profitability. But there exists an opposite effect of own-product real wage. We mean that a low level of mentioned indicator is decreasing the labor efficiency in the final analysis since entrepreneur has not the economic reasons to invest in mechanization and automation of labor.

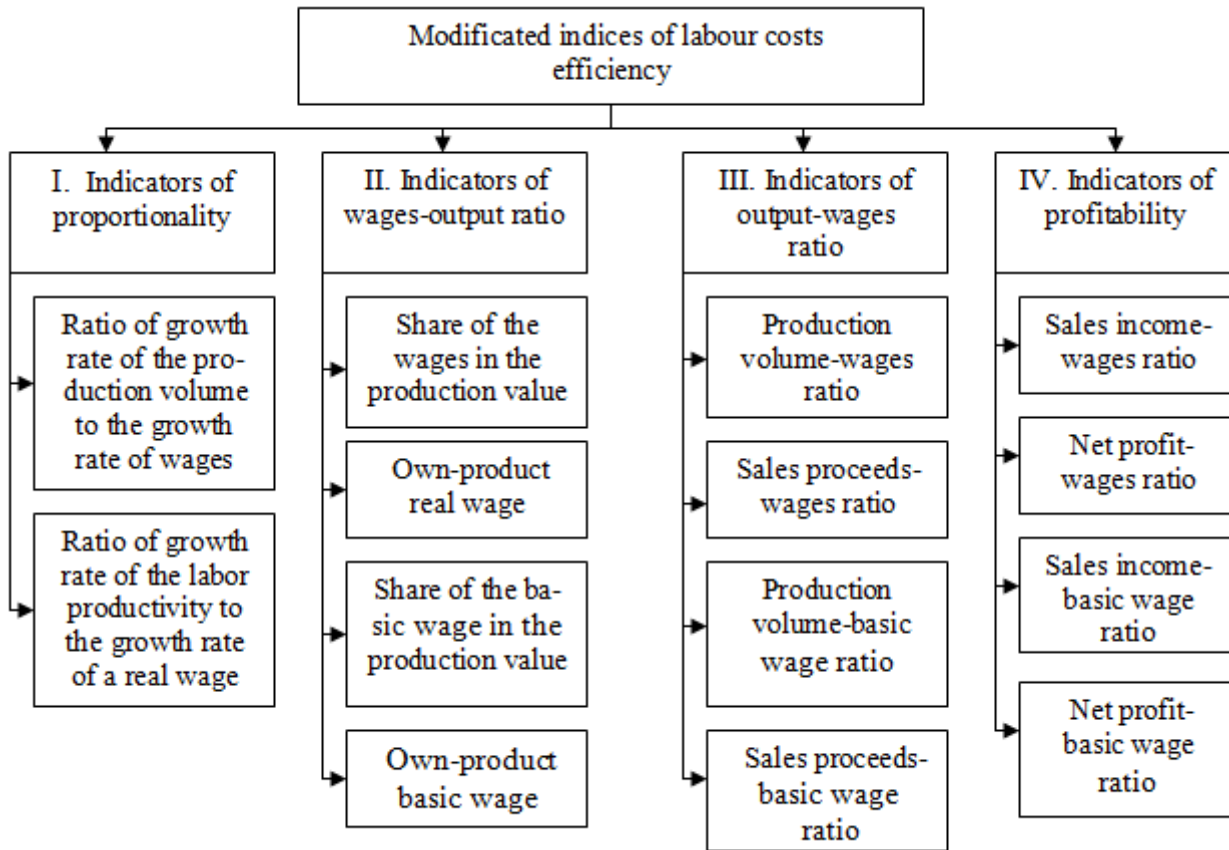


Figure 1 – Modified Activities of Labour Costs Efficiency

I explored the socially unfair redistribution of the value added in Ukrainian economy. There is an own-product real wage (a share of wages in GDP) consisted only of 24 per cent. To compare, this indicator in France and Sweden is obtained to 51.6 and 54.4 per cent. And so our economy has underestimation of labor. This is evidenced by a share of labour productivity comprised 15-30 per cent and 10 per cent - average wages in general level EU member states. In-depth study supported to research the standard of wages-output ratio, which was calculated about 4.17 USD/USD in Ukraine. And it is a higher standard in comparison with France and Sweden. The appropriate rate calculated less than 2 USD/USD (International Labour Office database and State Statistics Service of Ukraine, 2011).

By existing economical conditions, the law ahead of labour productivity growth over the rate of wages growth should not be held in Ukraine.

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**THE QUALITY IMPROVEMENT OF BREAD PRODUCTS
AS A BASIS FOR SUSTAINABLE DEVELOPMENT
OF BREAD-PRODUCING ENTERPRISES IN UKRAINE**

Nowadays the food producers pay more and more attention to provide people with high quality natural products. Professors Miller and Hens [1] point out that a lot of people started to think seriously about their health and that is why people began closely monitoring the quality of food they consumed. As a result an organic food is in demand and it is well known that exactly such products build the foundation for development of bread-making enterprise and the producing and selling of such products affects the competitiveness of enterprises in Ukraine.

The society is widely informed about the deterioration of environment that is accompanied by an increasing number of different diseases and increased mortality. For example, the overall environmental situation in the Odessa region is characterized as tense, having a tendency to further deterioration and worsening. Such situation is typical for the whole country. Ukraine was named the most endangered country in Europe. That is why the demands for food quality had been increased. According to the CIA for 2013, 100 infants Ukrainian accounting for 165 deaths and mortality rate (number of deaths per one thousand population) - 15, 75. There is the worst situation in Africa, but unfortunately our country isn't that far from the same results. There are many different harmful factors which has caused such state of things, but they need to be detailed analyzed and also the consistent environmental rehabilitation of the said territory is needed to be done. To the harmful factors also belongs: high concentration of population, infrastructure and economy, unbalanced structure of the economy with high destiny environmentally hazardous industries and industries with backward resource-and power-consuming technologies, weak development of sewage treatment plants, abandoned and degraded utilities cities and towns. To make matters worse, there is an absence of at least some noticeable and effective environmental policy in the country, regions, cities; there is no full and detailed legal framework for use of nature resources; there is weak and not effective legislation on production and sale of food products, which means that consumers are unprotected persons in this process.

According to our survey of residents of Odessa region in 2011 more than 83% of respondents concerned about the problem of healthy food. As a matter of fact women aged 18 to 24 years and 45 years and older answered that they paid great attention to that problem. Over 93% of our respondents are ready to buy environmentally friendly products. 90% of them answered that they were ready to pay more for environmentally friendly products. Answering the question what people understood under environmentally friendly products, the majority of respondents named the following list: lack of harmful impurities and additives (57%), use of natural products (43%).

Those who are ready to buy "healthy food" may later lose interest in this category because consumers of organic products want to be absolutely sure that they buy environmentally friendly products and that they aren't been cheated.

The most important factors that affect the consumers' preferences are: severe conformity to standards of production of environmentally friendly products - 43% of responders think so, the price level - 12% of respondents; value of goods - 30% of respondents, the reputation of the trade mark - 13%, accessibility - 1 % of responders, advertising - 1% of respondents.

Answering the question whether consumers would like agree or not to buy eco-friendly products, no one of the respondents had refused to purchase environmentally friendly products.

Bread is a staple food in the diet of most people. Due to the needs of the human body in mineral substances bread products have high social value for people moreover, they are essential products that are necessary for nutrition and normal life.

For example, the adding of wild medicinal plants to the recipe of bread products improves their chemical composition and the energy value of the product.

Thus, marketing services companies say that bread hips due to the attractive appearance, pleasant taste, freshness and long-term preventative [2, p. 29] was in great demand. But unfortunately, the joint-stock companies are not interested in producing products of medical and health purposes, because there are some problems that hinder sustainable development of bread-making industry in Ukraine such as: luck of high-quality grain in the market, reducing the quality and taste properties of bread, increase its prices, which further leads to the increase the final prize for products [3, p. 5].

Achieving sustainable development of bread-making enterprises in Ukraine is an important and long process for most enterprises, that constantly were working under the old system and followed the rule that expressed in maximizing profits, but nowadays for bread-making enterprises to be competitive in the market they should review and modify its policies, paying great attention to the quality of primary and secondary raw materials used in the production of bread.

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INTEGRAL INDICATOR OF EMPLOYEES COMPETITIVENESS AS THE MAIN COMPONENT OF COMPETITIVENESS INDEX FOR INDUSTRIAL ENTERPRISES

The review of the scientific literature revealed a large number of methods for evaluation of the competitiveness of an enterprise, which are based on various concepts. Most of the methods to assess the competitiveness of the enterprise are based upon the appraisal of competitive advantages of the product [1, p. 12], [2, p. 7—9], [3, p. 14].

For example, N. Bidnyk writes: “The competitiveness of an enterprise is achieved by the manufacturing and sales of products by competitive staff that uses competitive equipment and effective marketing. The enterprise is also considered competitive when it has a significant market share, allowing benefits and profits. ”[4, p. 5].

We share Bidnyk’s opinion on the close link between the competitiveness of enterprise and that of production: the former is necessarily but not sufficiently defined by the latter, while manufacturing of the competitive product is a source of the competitiveness of the enterprise.

However, the competitiveness of products and enterprise depends also on the competitiveness of employees due to its crucial role for design and manufacturing products and ensuring the competitiveness of products and enterprise.

O.A. Zhuran [2, p. 7] concludes " there are no universal methods of assessing the level of competitiveness of an enterprise at present. " She noted the following imperfections of the methods being discussed:

Used in foreign practice methods for assessing competitiveness are not always possible to apply directly to domestic enterprises. First, different market environment of enterprises hinders such an application. Second, due to the differences of the systems of management accounting is not always possible to obtain the necessary data for calculations.

Certain methods require special conditions and (or) complex calculations.

Some methods presume incomplete or biased analysis of the competitiveness of an enterprise.

Nevertheless, there are several methods of defining the competitiveness of an enterprise, which involve indicators of the efficiency of employees’ work. For example, V. A. Slobodyanyuk proposes to include only the labor productivity index in the metrics of competitiveness of an enterprise [5, p. 11]. I. V. Zavsyehdashnya includes such staff factors as the average wage and the ratio of goods sold to wage fund into the economic model of competitiveness of ore-dressing and processing enterprises in Ukraine [6, p. 11].

I share O.A. Zhuran’s opinion that the calculation of the integral assessment of

competitiveness of an enterprise requires the integral indicator. We believe that the competitiveness of enterprise's employees should be a main component of such integral indicator.

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METHODS OF THE TARGET PROFIT'S ACCOUNTING IN THE CONTEXT OF THE PRICE DETERMINATION FOR THE HOTEL SERVICES

Information about the value of the target profit is the most important component of the informative base of the process of establishment of the flexible tariffs for the basic services of the enterprises of the industry of hospitality. Grounding of the means of accounting of the target profit in the context of the indicated task's solution is concerned to be one of the major problems of the modern theory and practice of the price determination for the services of staying in a hotel.

All the variety of methods of approach to the accounting of the target profit as the component of the mechanism of the flexible price determination in the hotel enterprises, to our mind, is rightful to be brought to the two fundamentally different methods – relative and absolute ones (see the figure 1).

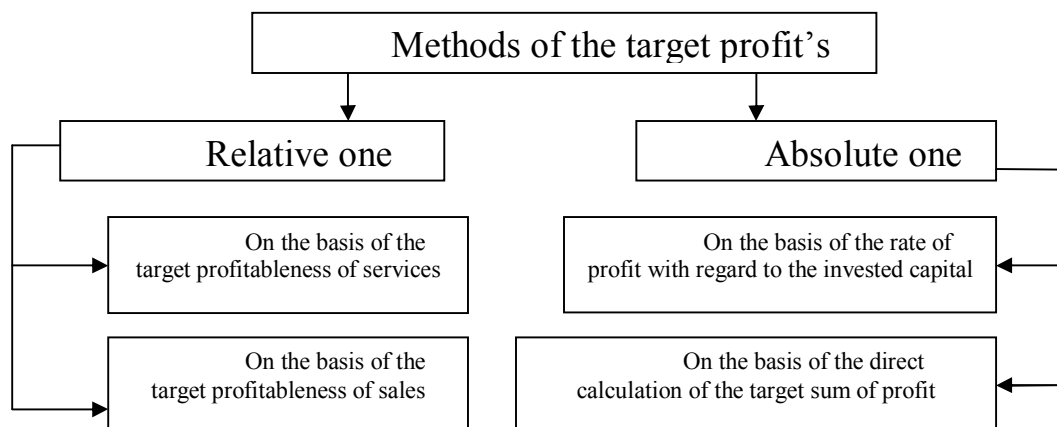


Figure 1. Methods of the target profit's accounting in the process of the price determination for the services of staying in hotels.

The essence of the relative method “consists in the definite percentage's adding for the expenditures with the purpose of getting a profit after the defrayment of the expenditures for a product's creation and its advancement to the market”. While its use the target profit may be calculated as for price within two ways:

1) on the basis of *the target profitableness of services*:

$$Tp = E \times \left(1 + \frac{Ps}{100} \right) \quad (1)$$

2) on the basis of *the target profitableness of sales*:

$$Tp = \frac{E}{1 - Ps/100} \quad (2)$$

where T_p - is the price which provides the target profit's getting, uah; E - is the

current expenditures, uah; P_s - is the level of the target profitableness of services (%); P_{ss} - is the level of the target profitableness of sales (%).

The absolute method consists in adding of the absolute value of the target profit to the expenditures, where the target profit may be calculated with one of two ways:

1) on the basis of *the direct calculation of the target sum of profit*. In this case, in I.Blank's opinion, the target sum of profit is the plan need of the financial resources which are formed owing to the clear profit of an enterprise which provides realization of the aims of its development in the future period [1, p. 451].

2) on the basis of *the rate of profit with regard to the invested capital*:

$$T_p = C \times R_p / 100 \quad (3)$$

where T_p - is the sum of the target profit, uah; C - is the amount of costs invested in a hotel's construction, uah; R_p - is the rate of profit with regard to the invested capital (%).

The second way, to our mind, is unacceptable for the means of practical use, because it does not provide the coordination of the target profit, calculated on its basis, with the plan need of the financial resources.

It should be mentioned, that even taking into account their visible difference, relative and absolute methods of target profit accounting have much in common in the process of the price determination because they are established on the use of the common information base which includes information about the sum of constant and variable expenditures in the connection with the individual categories of a hotel's number fund; level of the number fund's overloading in the period of calculation; absolute value of the target profit which must be provided by the incomes from the exploitation of the individual categories of a hotel's number fund in the period of calculation.

For the means of the calculation of the target profitableness of services and sales (in the context of the relative method's use) information about the absolute value of the target profit is necessary.

Hence, to our mind, the absolute method with the utilization of the direct way of the target profit's calculation (proceeding from the need of the money resources) is more convenient for the practical use. Herewith calculation of the target sum of profit, as far as I.Blank states, is needed to be realized in the connection with the each element of this requirement [1, p. 451]. The leading part in the process of the calculation of the target sum of profit, in his opinion, must be assigned to the definition of the need of its capitalized share which is calculated in the connection with the following basic elements [1, p. 451]: increase in fixed assets; increase in intangible assets; increase in own current assets; contributions to the reserve fund.

To the basic elements, in connection with which the sum of the part of the consumed target profit is planned, apply: payments of the incomes to the owners of an enterprise; budget of the participation of the employed workers in profit; expenditures for the realization of the inner and external social program [1, p. 460].

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